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**LONG-TERM LEASE AND MODERNIZATION AGREEMENT  
FOR THE CITY OF CINCINNATI PARKING SYSTEM**

dated as of

June 7, 2013

by and between

**THE CITY OF CINCINNATI**

and

**THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY**

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**THIS LONG-TERM LEASE AND MODERNIZATION AGREEMENT FOR THE CITY OF CINCINNATI PARKING SYSTEM** (this “Agreement”) is made and entered into as of this \_\_\_\_ day of May, 2013, by and between the City of Cincinnati, a municipal corporation organized and existing under the laws of the State of Ohio (the “City”), and The Port of Greater Cincinnati Development Authority, a port authority organized and existing under the laws of the State of Ohio (the “Port Authority”).

## **RECITALS**

WHEREAS, the City has established and owns the Parking System (as defined herein); and

WHEREAS, the City desires to provide to its citizens continued access to convenient parking and new technology related thereto; and

WHEREAS, pursuant to Sections 717.05 and 737.022 of the Ohio Revised Code, Chapter 331 of the City of Cincinnati Municipal Code, and under the terms of those ordinances adopted by the Members of City Council (the “Council”) on March 6, 2013 and attached hereto as Schedule 10 (the “Parking System Ordinances”), the City is authorized to enter into the Transaction (as defined herein); and

WHEREAS, the Port Authority desires to lease and acquire the Parking Facilities (as defined below) from the City, and obtain a grant from the City of the right to operate, maintain and improve the On-Street Parking System and the Off-Street Parking System for the Term (as defined herein) of this Agreement in connection therewith, all as hereinafter provided; and

WHEREAS, the City desires to lease the Parking Facilities to the Port Authority and grant the Port Authority the right to operate, maintain, and improve the On-Street Parking System and the Off-Street Parking System for the Term of this Agreement in accordance with the provisions of this Agreement including the “Operating Standards” (as herein defined); and

NOW THEREFORE, for and in consideration of the premises, the mutual covenants, representations, warranties and agreements contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties (as defined herein) covenant and agree as follows:

## **ARTICLE 1**

### **DEFINITIONS AND INTERPRETATION**

**Section 1.1. Definitions.** Unless otherwise specified or the context otherwise requires, for the purposes of this Agreement the following terms have the following meanings:

“AAA” means the American Arbitration Association.

“Additional Coverages” has the meaning ascribed thereto in Section 13.3(m).

“Additional Demand Test” means a parking study conducted at the City’s expense by a recognized parking expert that demonstrates additional demand for new off-street parking spaces commensurate with the new off-street parking spaces proposed to be created; provided, however, if the City is required to make a commitment to create new off-street parking spaces in order to attract or retain jobs within the City on a time schedule that does not reasonably permit a parking study to be conducted, the City may provide other evidence of commensurate demand that is reasonably acceptable to the Port Authority. Any parking study conducted will be at the City’s expense and will be conducted by a parking expert selected by the City, with such selection subject to the approval of the Port Authority and with such approval not to be unreasonably withheld or delayed.

“Additional Note Payment” means those payments from the Port Authority to the City on June 15<sup>th</sup> each Year constituting deferred payments on the Note.

“Additional Parking Spaces” has the meaning ascribed thereto in Section 7.7.

“Adjusted for Inflation” means adjusted by the percentage increase, if any, or decrease, if any, in the Index during the applicable adjustment period.

“Advisory Committee” means the committee consisting of five members, one of whom is the City Manager or his or her designee, and four of whom are appointed by the Port Authority, with at least one member being a senior representative of the Asset Manager familiar with the Parking System Operations and the Operator, convened for the purposes as described in, and in accordance with, the Advisory Committee Rules of Governance set forth in Schedule 16.

“Affected Property” means any public or private property, including any sign pole, street lamp, and other structure, including connecting hardware, that supports a Metering Device but was initially designed to serve other purposes, a building, park, highway, street, road, roadway, railroad, rail or other transit way, sidewalks, plazas, walkways, connectors (above and below grade) and any ancillary facilities related to any of the foregoing, under the jurisdiction and control of the City, any other Governmental Authority or any other Person that is located above, below, within the boundaries of, connects or intersects with, crosses over or under or is adjacent to any Metered Parking Spaces, Unmetered Parking Spaces, or Parking Facility or any part thereof.

“Affiliate” when used to indicate a relationship with a specified Person, excluding the City and Port Authority, means a Person that, directly or indirectly, through one or more intermediaries has a Ten Percent (10%) or more voting or economic interest in such specified Person or controls, is controlled by or is under common control with (which shall include, with respect to a managed fund or trust, the right to direct or cause the direction of the management and policies of such managed fund or trust as manager, advisor, supervisor, sponsor or trustee pursuant to relevant contractual arrangements) such specified Person, and a Person shall be deemed to be controlled by another Person, if controlled in any manner whatsoever that results in control in fact by that other Person (or that other Person and any Person or Persons with whom that other Person is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise (for purposes of this definition, a managed fund or trust shall be deemed to be an Affiliate of the Person managing, supervising,

sponsoring or advising such fund or trust and a limited partner in a managed fund or trust shall be deemed to be an Affiliate of such fund or trust and of the Person managing, supervising, sponsoring or advising such fund or trust).

“Agreement” has the meaning ascribed thereto in the preamble to this Agreement (including all Schedules referred to herein), as amended from time to time in accordance with the terms hereof.

“Annual Operating Budget” has the meaning ascribed thereto in Section 8.1(d).

“Applicable Metered Parking Fee Cap” means as of the date of determination, the greater of (a) the Initial Rate, increased by the greater of (i) Three Percent (3%) per Franchise Year, or (ii) the rate of inflation per Franchise Year as determined by the Index; provided that, each such increase shall be in accordance with the increment increase and rounding set forth in Section 1 of Schedule 5, or, (b) the maximum amount of Metered Parking Fees for each Metered Parking Space set forth in the then current Dynamic Pricing Schedule approved by the Port Authority, after the unanimous approval by the Advisory Committee, or (c) as otherwise approved by the Port Authority, after the unanimous approval of the Advisory Committee.

“Applicable Off-Street Parking Fee Cap” means as of the date of determination, with respect to each Parking Facility or with respect to all Parking Facilities in the aggregate (if the City approves a Dynamic Pricing Schedule), the greater of (a) the Initial Rate, increased by the greater of (i) Three Percent (3%) per Franchise Year, or (ii) rate of inflation per Franchise Year as determined by the Index; provided that, each such increase shall be in accordance with the increment increase and rounding set forth in Section 2 of Schedule 5, or (b) the maximum amount of Off-Street Parking Fees set forth in a Dynamic Pricing Schedule approved by the Port Authority, after the unanimous approval by the Advisory Committee, or (c) as otherwise approved by the Port Authority, after the unanimous approval of the Advisory Committee.

“Approval”, “Approved”, “Approves”, “Approved by the City” and similar expressions mean approved or consented to by the City in accordance with the provisions of Section 1.15.

“Approved List” has the meaning ascribed thereto in Section 3.3(b).

“Asset Manager” means the Initial Asset Manager, or any other subsequent Person engaged by the Port Authority to assist the Port Authority in management of the Parking System and Parking System Operations.

“Asset Management Agreement” means any material agreement, contract, or commitment by which the Port Authority engages an Asset Manager that qualifies and is consistent with the conditions set forth under Rev. Proc. 97-13 or any successor revenue procedure, regulation or other official procurement of the Internal Revenue Service as to not result in private business use under § 141(b) of the Internal Revenue Code.

“Assumed Liabilities” has the meaning ascribed thereto in Section 3.2(c).

“Assignment and Assumption Agreement” has the meaning ascribed thereto in Section 18.8(c).

“Audit and Review” and similar expressions mean, with respect to any matter or thing relating to the Parking System, the Parking System Operations or this Agreement, the performance by or on behalf of the City of such reviews, investigations, inspections and audits relating to such matter or thing as the City may reasonably determine to be necessary in the circumstances, conducted in each case in accordance with applicable United States industry accepted practices, if any, or as required by Law, but in accordance with the provisions of this Agreement.

“Authorization” means any approval, certificate of approval, authorization, consent, waiver, variance, exemption, declaratory order, exception, license, filing, registration, permit, notarization or other requirement of any Person that applies to the Parking System or is reasonably required from time to time for the Parking System Operations.

“Available Revenues” means the revenue available to pay the City Additional Note Payments on an annual basis after all deposits required under the Indenture have been made.

“Bank Rate” means the one (1) month London Interbank Offered Rate (LIBOR) (or any successor rate thereto) as reported in The Wall Street Journal (or any successor thereof).

“Banks Project” means the construction, development, and renovation of the downtown Cincinnati riverfront district, which includes several large-scale projects, existing infrastructure improvements, and development of residential, office, hotel, and commercial space as described in that certain Master Development Agreement for “The Banks” dated November 23, 2007, and all future phases in connection therewith.

“Bid Date” means November 26, 2012.

“Bond Proceeds Amount” has the meaning ascribed thereto in Section 2.1.

“Bondholder Representative” means the Underwriter or its designated affiliate for so long as it owns any of the most junior series of Parking Bonds then outstanding or, if the Underwriter owns no such Parking Bonds, a representative appointed by the holders of a majority in principal amount of the most junior series of Parking Bonds then outstanding.

“Business Day” means any Day that is not a Saturday, a Sunday or a Day observed as a holiday by the City, the State of Ohio or the United States government.

“Capital Improvement” means (i) any improvement to the structural, electrical, or mechanical components of the Parking Facilities, (ii) all technology upgrades to Metering Devices contemplated on Schedule 18, (iii) any maintenance, repair or replacement expenditure in excess of \$100,000, Adjusted for Inflation, in the aggregate during any month, with respect to the Parking System; (iv) any other improvements to the Parking System set forth in the Capital Plan.

“Capital Plan” has the meaning ascribed thereto in Section 8.1(d).

“Capital Reserve Fund” has the meaning ascribed thereto in the Indenture.

“Casualty Cost” has the meaning ascribed thereto in Section 13.3(a).

“Change in Control” means, with respect to any Person other than the City and the Port Authority, whether accomplished through a single transaction or a series of related or unrelated transactions and whether accomplished directly or indirectly, either (i) a change in ownership so that Fifty Percent (50%) or more of the direct or indirect voting or economic interests in such Person is transferred to a Person or group of Persons acting in concert, (ii) the power directly or indirectly to direct or cause the direction of management and policy of such Person, whether through ownership of voting securities, by contract, management agreement, or common directors, officers or trustees or otherwise, is transferred to a Person or group of Persons acting in concert or (iii) the merger, consolidation, amalgamation, business combination or sale of substantially all of the assets of such Person; provided however, that notwithstanding anything to the contrary set forth in this definition, Transactions in shares of a publicly traded company or other transactions involving a publicly traded company shall not constitute a Change in Control for the purposes of this Agreement, unless they cause such company to no longer be a publicly traded company.

“Cincinnati Streetcar Project” means the construction and implementation of an electronic modern street car transportation system situated in downtown Cincinnati, Ohio that in its initial phase is expected to operate on a 3.6-mile loop linking the Cincinnati Central Riverfront with the Over-the-Rhine neighborhood, and includes the construction of a track, traction power, overhead contact system, and utility relocation.

“City” has the meaning ascribed thereto in the preamble to this Agreement.

“City Default” has the meaning ascribed thereto in Section 16.2(a).

“City Request” means a written request prepared by or on behalf of the City requesting that the Port Authority, to the extent permitted hereby, (i) add or perform work in respect of the Parking System in addition to that provided for in this Agreement (ii) change the dimensions, character, quantity, quality, description, location or position of any part of the Parking System or make other changes to the Parking System; provided, however, that no such request may in any event request that the Port Authority do any act that could reasonably be expected to violate any applicable Law or cause the Port Authority to fail to be in compliance with this Agreement or any other agreement, including the Indenture, by which the Port Authority is bound.

“City Manager” means the Manager of the City or another City Official acting under the direction and pursuant to the authority of the City Manager.

“City’s Option” has the meaning ascribed thereto in Section 18.7(a).

“Claim” means any demand, action, cause of action, suit, proceeding, arbitration, claim, judgment or settlement or compromise relating thereto which may give rise to a right to a payment obligation.

“Closing” has the meaning ascribed thereto in Section 2.2(a).

“Closing Consideration” has the meaning ascribed thereto in Section 2.1.

“Closing Date” has the meaning ascribed thereto in Section 2.2(a).

“Closing Deposit” has the meaning ascribed thereto in Section 2.3(a).

“Closing Period” means the period from the date hereof up to and including the Time of Closing.

“Comparable Off-Street Parking Systems” means with respect to the Off-Street Parking System, a parking garage or parking lot (whether privately or publicly owned) that is located within a similarly sized metropolitan area in the United States and that is operated in a commercially reasonable manner and is reasonably comparable to the Off-Street Parking System in terms of physical structure, climate, capacity, utilization and the nature of the services provided.

“Comparable On-Street Parking Systems” means with respect to the On-Street Parking System, a parking system consisting of Metered Parking Devices that is located within a similarly sized metropolitan area in the United States and that is operated in a commercially reasonable manner and is reasonably comparable to the Off-Street Parking System in terms of technology, equipment, capacity, utilization and the nature of the services provided.

“Consent” means any approval, consent, ratification, waiver, exemption, franchise, license, permit, novation, certificate of occupancy or other authorization, of any Person, including any Consent issued, granted, given, or otherwise made available by or under the authority of any Governmental Authority or pursuant to any applicable Law.

“Consultant” means (i) a consulting firm having national experience in the operation and management of parking garages, parking lots, and metered parking systems reasonably acceptable to the Parties and (ii) any individual having experience in the operation and management of parking garages, parking lots, and parking systems that is selected by such consulting firm to perform the professional services required to be performed by the Consultant.

“Contractor” means, with respect to a Person, any contractor with whom such Person contracts to perform work or supply materials or labor in relation to the Parking System, including any subcontractor of any tier, supplier or materialman directly or indirectly employed pursuant to a subcontract with a Contractor. For the avoidance of doubt, the Asset Manager and any Operator (if other than the Port Authority) shall be a Contractor of the Port Authority.

“Council” has the meaning ascribed thereto in the preamble to this Agreement.

“County” means County of Hamilton, Ohio and its Board of County Commissioners or any political subdivision, agency, or representative thereof, including its Sheriff’s Department.

“Day” means a calendar day, beginning at 12:01 a.m. in the eastern time zone of the United States coinciding with the calendar day.

“Debt Service Reserve Fund” has the meaning ascribed thereto in the Indenture.

“Delay Event” means (i) an event of Force Majeure that interrupts or limits in a material way the performance of Port Authority’s obligations hereunder or the Port Authority’s use of the Parking System, (ii) a failure to obtain, or delay in obtaining, any Authorization from a Governmental Authority (provided that such failure or delay could not have been reasonably prevented by technical and scheduling or other reasonable measures of the Port Authority), (iii) the enactment of a new Law or the modification, amendment or change in enforcement or interpretation of a Law (including a change in the application thereof by any Governmental Authority) arising after the Bid Date, (iv) a delay caused by the performance of works (including the activities authorized by Section 3.7) carried out by the City when not acting under the authority or direction of, or pursuant to a contract, sublease or any other agreement or arrangement with the Port Authority, Asset Manager, or the Operator, (v) a delay caused by a failure by the City to perform or observe any of its covenants or obligations under this Agreement or (vi) a delay caused by the presence in, on, under or around the Parking System of Hazardous Substances, which in each case results in or would result in a delay or interruption in the performance by the Port Authority of any obligation under this Agreement; except to the extent that the consequences of such delay or the cause thereof is specifically dealt with in this Agreement or arises by reason of (A) the negligence or intentional misconduct of the Port Authority or its Representatives, (B) any act or omission by the Port Authority or its Representatives in breach of the provisions of this Agreement or (C) except as contemplated by Section 5.1, lack or insufficiency of funds or failure to make payment of monies or provide required security on the part of the Port Authority. For the avoidance of doubt, a Delay Event shall not include any of the exceptions listed in clauses (i) through (iv) of the definition of Force Majeure.

“Delay Event Dispute Notice” has the meaning ascribed thereto in Section 15.1(e).

“Delay Event Notice” has the meaning ascribed thereto in Section 15.1(e).

“Delay Event Remedy” has the meaning ascribed thereto in Section 15.1(d).

“Designated Senior Person” means such individual who is designated as such from time to time by each Party for the purposes of Article 19 by written notice to the other Party.

“Document” has the meaning ascribed thereto in Section 1.15(c).

“Dynamic Pricing Schedule” means (i) with respect to the Off-Street Parking System, the ability of the Port Authority to increase and/or reduce the Off-Street Parking Fee, with respect to each individual Parking Garage or Parking Lot, in each case subject to the restriction of the Applicable Off-Street Parking Fee Cap and Regular Rate Adjustment, based upon historic, real-time, or anticipated paid use implemented in an effort to achieve optimal paid use during a given period and/or on a given day (provided that any Dynamic Pricing Schedule that increases the Applicable Off-Street Parking Fee Cap is subject to unanimous approval of the Advisory Committee); and (ii) with respect to the On-Street Parking System, the ability of the Port Authority to increase and/or reduce the Metered Parking Fee, in each case subject to the restrictions of the Applicable Metered Parking Fee Cap and Regular Rate Adjustment, after the unanimous approval of the Advisory Committee as required for the On-Street Parking System



and as specifically proposed by the Port Authority in an effort to achieve the optimal paid use during a specified period or Zone.

“Eligible Investments” means any one or more of the following obligations or securities: (i) direct obligations of, and obligations fully guaranteed by, the United States of America or any agency or instrumentality of the United States of America, the obligations of which are backed by the full faith and credit of the United States of America; (ii) demand or time deposits, federal funds or bankers’ acceptances issued by any Institutional Lender (provided that the commercial paper or the short-term deposit rating or the long-term unsecured debt obligations or deposits of such Institutional Lender at the time of such investment or contractual commitment providing for such investment have been rated “A” (or the equivalent) or higher by a Rating Agency or any other demand or time deposit or certificate of deposit fully insured by the Federal Deposit Insurance Corporation); (iii) commercial paper (including both non-interest-bearing discount obligations and interest-bearing obligations payable on demand or on a specified date not more than one year after the date of issuance thereof) which has been rated “A” (or the equivalent) or higher by a Rating Agency at the time of such investment; (iv) any money market funds, the investments of which consist of cash and obligations fully guaranteed by the United States of America or any agency or instrumentality of the United States of America, the obligations of which are backed by the full faith and credit of the United States of America and which have been rated “A” (or the equivalent) or higher by a Rating Agency; and (v) other investments then customarily accepted by the City in similar circumstances; provided, however, that no instrument or security shall be an Eligible Investment if such instrument or security evidences a right to receive only interest payments with respect to the obligations underlying such instrument or security provides for payment of both principal and interest with a yield to maturity in excess of One Hundred Twenty Percent (120%) of the yield to maturity at par.

“Emergency” means a situation that is urgent and calls for immediate action, which, if such action is not taken, is reasonably likely to result in imminent harm or physical damage to any or all of the Parking System or any natural Person.

“Encumbrance” means any mortgage, lien, judgment, execution, pledge, charge, security interest, restriction, easement, servitude, option, reservation, lease, claim, trust, deemed trust or encumbrance of any nature whatsoever, whether arising by operation of Law, judicial process, contract, agreement or otherwise created.

“End Date” means the date on which this Agreement expires or is terminated.

“Enforcement Operator” means the delegatee of the Port Authority appointed pursuant to Section 3.2(e).

“Enforcement Policies and Procedures” means the policies and procedures established by the Port Authority, the Asset Manager, and the Operator for the administration and enforcement of parking rules and regulations that are designed to deter parking violations, including procedures for the issuance and collection of parking tickets and citations for violations of the parking rules and regulations with respect to the On-Street Parking System, by

such means as permitted by Law, in each case, as set forth in Schedule 3, but excluding all Reserved Enforcement Powers or the Operating Plans.

“Engineering Firm” means an independent firm of professional engineers that have exhibited experience with the kinds of Parking Facilities and Metering Devices within the Parking System and having a national reputation for skill and experience in the design, construction, reconstruction, maintenance and repair of public parking garages appointed by the Port Authority; provided, however, the engineering firm cannot be related to or affiliated with the Operator or Asset Manager.

“Environment” means soil, surface waters, ground waters, land, stream sediments, surface or subsurface strata and ambient air.

“Environmental Laws” means any Laws applicable to the Parking System or Parking System Operations regulating or imposing liability or standards of conduct concerning or relating to (i) the regulation, use or protection of human health or the Environment or (ii) the regulation, use or exposure to Hazardous Substances.

“Escrow Agent” means a bank, trust company or national banking association selected by the City to hold the Good Faith Deposit.

“Excluded Liabilities” has the meaning ascribed thereto in Section 3.2(c).

“Excluded Off-Street Parking Facility(ies)” means those Parking Garages and Parking Lots that are owned or being developed by the City but are not included within the Off-Street Parking System, including: Fountain Square North Garage, New Pogue Garage and Tower Place Mall, parking garages included in connection with future phases of the Banks Project, New Convention Center Headquarters Hotel Garage, Washington Park Garage, U-Square at the Loop Garage, Town Center Garage, Vernon Manor Garage, Kingsgate Marriot Garage, Hampton Inn Garage, Keystone Garage, Third and Central Lot, John Street Lot, Renaissance Lot, the current Fourth and Race Garage (Pogue’s Garage), the future Fourth and Race Garage and the future Fifth and Race Garage.

“Excluded Off-Street Parking Facilities Fees” has the meaning ascribed thereto in Section 3.18(a).

“Exempt Excluded Off-Street Parking Facilities” means the following Excluded Off-Street Parking Facilities, as depicted on Schedule 6, that are not required to maintain the Excluded Off-Street Parking Facilities Fees: Fountain Square North Garage (so long as the Lease and Operating Agreement with 3CDC, or its affiliate, remains in effect), Washington Park, Town Center Garage, Keystone Garage, Vernon Manor Garage, Kingsgate Marriot Garage, U-Square at the Loop Garage, Hampton Inn Garage, the current Fourth and Race Garage (Pogue’s Garage), the future Fourth and Race Garage and the future Fifth and Race Garage.

“First Class Parking System” means a parking system operated and maintained in accordance with the Operating Standards and incorporating technology (such as cash payment alternatives) and operating methods that have gained broad based market acceptance in

Comparable Off-Street Parking Systems and Comparable On-Street Parking Systems for their usefulness and cost-effectiveness.

“Force Majeure” means any event beyond the reasonable control of the Port Authority and the City that delays, interrupts or limits the performance of a Party’s obligations hereunder including an intervening act of God or public enemy, war, invasion, armed conflict, act of foreign enemy, blockade, revolution, act of terror, sabotage, civil commotions, interference by civil or military authorities, condemnation or confiscation of property or equipment by any Governmental Authority, nuclear or other explosion, radioactive or chemical contamination or ionizing radiation, fire, tornado, flooding, earthquake or other natural disaster, riot or other public disorder, epidemic, quarantine restriction, strike, labor dispute or other labor protest, stop-work order or injunction issued by a Governmental Authority, governmental embargo, except to the extent that the consequence of such event is otherwise specifically dealt with in this Agreement or arises by reason of (i) the negligence or intentional misconduct of the Port Authority or its Representatives, (ii) any act or omission by the Port Authority or its Representatives in breach of the provisions of this Agreement, (iii) lack or insufficiency of funds or failure to make payment of monies or provide required security on the part of the Port Authority or (iv) any strike, labor dispute or other labor protest involving any Person retained, employed or hired by the Port Authority or its Representatives to supply materials or services for or in connection with the Parking System Operations or any strike, labor dispute or labor protest pertaining to the Port Authority that is caused by or attributable to any act (including any pricing or other practice or method of operation) or omission of the Port Authority or its Representatives. For purposes of Force Majeure, as applied to actions to be taken by, or obligations of, the City, Governmental Authority does not include the City.

“Franchise” means the exclusive on-street parking franchise right granted by the City to the Port Authority as described in Section 2.1.

“Franchise Year” means (i) the period commencing on the Closing Date and ending on April 30 of 2014, and (ii) thereafter means each 12-month period commencing on May 1 and ending on April 30 of the next calendar year, provided, however, that the last Franchise Year shall end on the thirtieth anniversary of the Closing Date.

“Global Event” has the meaning ascribed thereto in Section 7.5.

“Good Faith Deposit” has the meaning ascribed thereto in Section 2.3.

“Government Agreement” has the meaning ascribed thereto in Section 3.19.

“Governmental Authority” means any court, federal, state, local or foreign government, department, commission, board, bureau, agency or other regulatory, administrative, governmental or quasi-governmental authority and, unless expressly excluded, includes the City. The definition of Governmental Authority excludes the Port Authority.

“Hazardous Substance” means any solid, liquid, gas, odor, heat, sound, vibration, radiation or other substance or emission which is a contaminant, pollutant, dangerous substance, toxic substance, hazardous waste, subject waste, hazardous material or hazardous substance which is or becomes regulated by applicable Environmental Laws or which is

classified as hazardous or toxic under applicable Environmental Laws (including gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls, asbestos and urea formaldehyde foam insulation).

“Identified Event” means any event, other than a Global Event, for which the City has closed Parking Spaces or agreed to offer free or reduced parking at Metered Parking Spaces or free or reduced parking at the Parking Facilities in connection with the events listed on Schedule 9, and, if required, as authorized by the permits issued pursuant to Chapter 765 of the Cincinnati Municipal Code or through Council passage of special notwithstanding ordinances.

“Identified Event Threshold” means the product of five and one half percent (5.5%) of the aggregate number of Metered Parking Spaces multiplied by the number of days (or fractions of a day) those Metered Parking Spaces would otherwise be operated during a Franchise Year but for an Identified Event.

“Indenture” means the Trust Indenture, between the Port Authority and the Trustee, providing for the issuance of the Parking Bonds.

“Index” means the “Consumer Price Index for all Urban Consumers (CPI-U)” (not seasonally adjusted) as published by the U.S. Department of Labor, Bureau of Labor Statistics; provided, however, that if the Index is changed so that the base year of the Index changes, the Index shall be converted in accordance with the conversion factor published by the U.S. Department of Labor, Bureau of Labor Statistics; provided further that if the Index is discontinued or revised during the Term, such other index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

“Information” means any and all information relating to the Parking System Operations in the Port Authority’s possession or control or available to the Port Authority pursuant to the Asset Management Agreement or Operating Agreement except for (i) information relating to proprietary software or systems (such as source code, system screenshots, system architecture diagrams, etc.) and (ii) information the public disclosure of which could jeopardize the safety and security of employees of the Port Authority, Asset Manager or Operator (such as the location of coin counting facilities, deposit schedules, collection schedules/routes, maintenance schedules, enforcement routes, key inventories/assignments, vehicle locations (GPS), vault combinations, etc.).

“Initial Adjustment Date” means, with respect to each Parking Facility or Zone, the date on which all technology improvements have been made to the respective Parking Facility or Zone in accordance with Schedule 18.

“Initial Asset Manager” means AEW Capital Management L.P. or a wholly owned subsidiary thereof.

“Initial Off-Street Operator” means Denison Parking, Inc.

“Initial On-Street Operator” means Xerox State & Local Solutions, Inc.

“Initial Rate” means, for each Parking Facility and each Zone, the “Initial Rate” for Parking Fees set forth in Schedule 5.

“Institutional Lender” means (i) the United States of America, any state thereof or any agency or instrumentality of either of them, any municipal agency, public benefit corporation or public authority, advancing or insuring mortgage loans or making payments which, in any manner, assist in the financing, development, operation and maintenance of projects, (ii) any (a) savings bank, savings and loan association, commercial bank, trust company (whether acting individually or in a fiduciary capacity) or insurance company organized and existing under the laws of the United States of America or any state thereof, (b) foreign insurance company or commercial bank qualified to do business as an insurer or commercial bank as applicable under the laws of the United States, (c) pension fund, foundation or City or college or other endowment fund or (d) investment bank, pension advisory firm, mutual fund, investment company or money management firm, (iii) any “qualified institutional buyer” under Rule 144(A) under the Securities Act or any other similar Law hereinafter enacted that defines a similar category of investors by substantially similar terms or (iv) any other financial institution or entity designated by the Port Authority and Approved by the City (provided that such institution or entity, in its activity under this Agreement, shall be acceptable under then current guidelines and practices of the City); *provided, however*, that each such entity (other than entities described in clause (iii) of this definition) or combination of such entities if the Institutional Lender shall be a combination of such entities shall have individual or combined assets, as the case may be, of not less than Five Hundred Million Dollars (\$500,000,000), which shall include, in the case of an investment or advisory firm, assets controlled by it or under management.

“Law” means any order, writ, injunction, decree, judgment, law, ordinance, decision, opinion, ruling, policy, statute, code, rule or regulation of any Governmental Authority.

“Leasehold Mortgage(s)” has the meaning set forth in the Indenture.

“Leasehold Mortgagee” has the meaning set forth in the Indenture.

“Leasehold Mortgage Debt” has the meaning set forth in the Indenture.

“Leasehold Mortgage Notice Requirements” has the meaning set forth in the Indenture.

“Lessor” has the meaning set forth in the Indenture.

“Letter of Credit” means an irrevocable, unconditional, commercial letter of credit, in favor of the City, in form and content reasonably acceptable to the City, payable in U.S. dollars upon presentation of a sight draft and a certificate confirming that the City has the right to draw under such letter of credit in the amount of such sight draft, without presentation of any other Document, which letter of credit (i) is issued by a commercial bank or trust company that is a member of the New York Clearing House Association and that has a current investment grade credit rating by a Rating Agency (or such other commercial bank or trust company reasonably acceptable to the City and Approved by the City prior to the submission of the letter of credit), and (ii) provides for the continuance of such letter of credit for a period of at least 364 days or as otherwise provided in this Agreement. The office for presentment of sight drafts specified in

the Letter of Credit shall be located at a specified street address within the City of Cincinnati or other location acceptable to the City.

“Loss” or “Losses” means, with respect to any Person, any loss, liability, damage, penalty, charge or out-of-pocket and documented cost or expense actually suffered or incurred by such Person, but excluding any punitive, special, indirect and consequential damages and any contingent liability until such liability becomes actual.

“Material Adverse Effect” means any single act or omission, or series of acts or omissions regardless of the Franchise Year in which any such act or omission occurs, that the Port Authority or the Bondholder Representative reasonably establishes, based upon historic or projected data set forth in a written calculation provided by the Port Authority or Bondholder Representative to the City (subject to verification that it is mathematically correct) with respect to (c) or (d) below, that: (a) would adversely affect the exclusion from gross income of the interest on the Tax Exempt Parking Bonds for federal income tax purposes; *or* (b) create private use within the meaning of Section 141 of the Internal Revenue Code of 1986 in excess of two percent (2.00%) of the amount of Gross Proceeds for the Tax-Exempt Parking Bonds; *or* (c) based on past operating data and projected future operating data, would result in a violation of the Rate Covenant; *or* (d) based on past operating data and projected future operating data, has resulted or would result in a fifteen percent (15.00%) reduction in debt service coverage (as compared to the projected level of debt service coverage of the Parking Bonds in any year the Parking Bonds are scheduled to remain outstanding had the act, omission, or series of acts or omissions creating the Material Adverse Effect not taken place, as reasonably demonstrated by the Port Authority or Bondholder Representative) on either (1) all of the senior-most series of Parking Bonds, or (2) all Parking Bonds. For purposes of determining whether one or more acts or omissions cause the occurrence of a Material Adverse Effect under clauses (c) or (d) of the preceding sentence, (A) there shall be taken into account any positive effects of such acts or omissions or related acts or omissions by or at the direction of the City that the City demonstrates, to the commercially reasonable satisfaction of the Port Authority and the Bondholder Representative, would contemporaneously mitigate the negative effects; (B) Identified Events shall be taken into account only to the extent that they exceed the Identified Events Threshold and (C) the City’s building of Excluded Off-Street Parking Facilities or additional Parking Facilities under Section 3.18(b) shall not be taken into account if (i) the Additional Demand Test is met for such Parking Facilities (including Excluded Off-Street Parking Facilities built after the date of this Agreement) or (ii) they are considered Exempt Excluded Off-Street Parking Facilities pursuant to Section 3.18(b).

Notwithstanding the foregoing, no effect resulting from or directly in connection any of the following shall be deemed, either alone or in combination, to constitute or contribute to a Material Adverse Effect: (A) general economic conditions or changes therein; (B) financial, banking, currency or capital markets fluctuations or conditions (either in the United States or any international market and including changes in interest rates); (C) conditions affecting the financial services or parking industries generally; (D) any event or occurrence existing as of the date of this Agreement the occurrence of which was outside of the City’s control; and (E) any act of the Port Authority or its Representatives.

“Memorandum of Lease” has the meaning ascribed thereto in Section 2.8.

“Metered Parking Fee” means the fees established as consideration for the privilege of parking a motor vehicle at a Metered Parking Space all as set forth on Schedule 5, and as may be adjusted by the Port Authority pursuant to the terms of this Agreement.

“Metered Parking Revenue” means, during the Term, the revenues derived from Metered Parking Fees, excluding any Parking Violation Revenue related thereto.

“Metered Parking Spaces” means, as of the date hereof, those parking spaces where during certain periods of time, the City, pursuant to this Agreement, requires the payment of a Metered Parking Fee for parking a motor vehicle at that space or place for a limited period of time and such designation is effective for all purposes of this Agreement, plus any such additional parking spaces designated by the City prior to the Closing Date or designated pursuant to Section 7.7.

“Metering Devices” means the parking meters, pay and display stations, electronic metering devices, and other similar devices that may be used from time to time in connection with the On-Street Parking System, including any shelters used to guard the devices and patrons from the elements utilized by Port Authority in its discretion, but excluding Affected Property.

“New Agreement” has the meaning ascribed thereto in Section 18.5(a).

“Note” means that certain Promissory Note from the Port Authority in the principal amount determined as provided in Section 2.1 for the benefit of the City that sets forth the amounts required as additional Closing Consideration, substantially in the form attached hereto as Schedule 17.

“Off-Street Operator” means the Initial Off-Street Operator, or any other Person subsequently engaged by the Port Authority or Asset Manager to assist the Port Authority in operating the Off-Street Parking System.

“Off-Street Parking Facility Revenue” means, during the Term, the revenues derived from the Off-Street Parking System collected by the Port Authority by the operation of the Parking Garages and Parking Lots, excluding any Parking Violation Revenue related thereto.

“Off-Street Parking Fee” means the fees established as consideration for the privilege of parking a motor vehicle at the Parking Garages or Parking Lots all as set forth on Schedule 5, and as may be adjusted by the Port Authority pursuant to the terms of this Agreement.

“Off-Street Parking Services” means the services to be provided by the Port Authority, or its designee, with respect to the Off-Street Parking System as grantee of the franchise and lease under this Agreement.

“Off-Street Parking Spaces” means, as of the date hereof, those parking spaces in the Off-Street Parking System for which the City requires the payment of Parking Fees for parking a motor vehicle at the Parking Facilities, plus any such additional parking spaces designated by the City prior to the Closing Date and any new parking spaces in the Off-Street Parking System

constructed pursuant to this Agreement, including parking spaces in the planned Sycamore Garage or constructed by the Port Authority pursuant to Section 3.18.

“Off-Street Parking System” means the public parking system consisting of the Parking Facilities as described or depicted on Schedule 11, all improvements, including paving structures, signage (including all parking garage entry and exit signage), fixtures and personal property of any and every kind whatsoever forming a part of and used in connection with such garages and lots from time to time, but excluding all rights (including oil, gas and mineral rights, air rights and development rights) retained by the City as the fee simple owner of the real property constituting the sites of the Parking Facilities.

“On-Street Operator” means the Initial On-Street Operator, or any other Person subsequently engaged by the Port Authority or Asset Manager to assist the Port Authority in operating the On-Street Parking System.

“On-Street Parking System” means (i) the Metering Devices, normal meter poles, computer systems and software used in connection with the administration of Metered Parking Spaces and the collection of Metered Parking Fees, and all improvements and personal property of any and every kind whatsoever forming a part of and used in connection with the operation and maintenance of the metering system associated with the Metered Parking Spaces (including all Metering Devices but excluding any interest in the streets, sidewalks, paving, sign poles, tripods, streetlights or similar real or personal property) and (ii) for purposes of enforcement only, all of the Unmetered Parking Spaces, but excluding any interests in the streets, sidewalks, paving or similar real property.

“On-Street Parking Services” means the services to be provided by the Port Authority, or its designee, with respect to the On-Street Parking System as grantee of the franchise and lease under this Agreement.

“Operating Agreement” means any material agreement, contract or commitment to which the Port Authority or the Asset Manager is a party relating to the Parking System Operations as in force from time to time (including the Parking Enforcement Agreement and any warranties or guaranties), but excluding any Leasehold Mortgage and financing documents related thereto.

“Operating Agreements and Plans” has the meaning ascribed thereto in Section 3.11.

“Operating Reserve Fund” has the meaning ascribed thereto in the Indenture.

“Operating Standards” means the standards set forth in Schedule 2 that apply to the operation, maintenance, rehabilitation and construction of improvements to, the Parking System. To the extent that any term or provision set forth in or incorporated by reference in Schedule 2 conflicts with any term or provision specified in this Agreement, then such term or provision of this Agreement shall govern and shall supersede any such conflicting term or provision.

“Operator” means the Off-Street Operator, On-Street Operator, or both the On-Street Operator and Off-Street Operator, as applicable, based on the portion of the Parking System to which the term applies.



“Other Franchise Revenue” has the meaning ascribed thereto in Section 7.1(e).

“Parking Adjudication Agreement” means that certain Agreement for the Distribution of Monies Collected for Parking Infractions between the City and the County governing, among other things, the adjudication of the Parking Violations.

“Parking Bonds” means the obligations issued by the Port Authority in connection with its payment to the City of the Closing Consideration and any contemporaneous improvements to the Parking System, together with any obligations issued to refund those obligations or issued to finance Parking Facilities pursuant to Section 3.18.

“Parking Enforcement” means the issuance of parking tickets or citations for violations of (i) the parking rules and regulations with respect to the Parking Spaces and (ii) other Laws of the City of Cincinnati with respect to the Parking System, in each case in accordance with the Enforcement Policies and Procedures set forth in Schedule 3, but excluding any Reserved Enforcement Powers.

“Parking Enforcement Agreement” means any agreement entered into between the Port Authority and its Enforcement Operator for the provision of parking enforcement services.

“Parking Facilities” means Parking Lots and Parking Garages.

“Parking Fees” means the Metered Parking Fee and the Off-Street Parking Fee.

“Parking Garages” means the parking garages described in Schedule 11 as “Lease Area,” and are commonly known as the Garfield Garage, Fountain Square South Garage, Gramercy Garage, Broadway Garage, Seventh Street Garage and, upon its completion, Sycamore Garage; and any additional parking garages constructed pursuant to Section 3.18.

“Parking Lots” means the parking lots described in Schedule 11 as “Lease Area,” and are commonly known as the Third & Butler Lot (and adjoining L&N Loop Lot), West Central Lot, and the McFarland Lot.

“Parking Revenue” means all revenue consisting of Metered Parking Revenue, Off-Street Parking Facility Revenue, Parking Violation Revenue, and Other Franchise Revenue.

“Parking Services” means the On-Street Parking Services and Off-Street Parking Services.

“Parking Spaces” means the Metered Parking Spaces and Off-Street Parking Spaces, but excluding Unmetered Parking Spaces.

“Parking System” means the On-Street Parking System and Off-Street Parking System.

“Parking System Contracts” means the agreements to which the City is a party relating to the use and operations of the Parking System that are set forth on Schedule 1 and that will either be assigned to the Port Authority at the Time of Closing, terminated by the City prior to Closing or amended prior to Closing to remove the Parking Facilities.

“Parking System Employees” means the current Division of Parking Facilities employees that, as of the Bid Date, are employed by the City to service the Parking System.

“Parking System Land” means those parcels of real property upon which the Parking Garages and Parking Lots are located and as set forth on Schedule 11 and further described in the Memorandum of Lease.

“Parking System Operations” means (i) the operation, management and maintenance of the Parking System, (ii) the issuance, processing and collection of parking tickets or citations for violations of parking rules and regulations with respect to the Parking Spaces pursuant to this Agreement, and (iii) all other actions relating to the Parking System that are performed by or on behalf of the Port Authority pursuant to this Agreement.

“Parking System Ordinances” has the meaning ascribed thereto in the preamble to this Agreement.

“Parking Violations” means any parking ticket or citation issued by the City, County, or by the Enforcement Operator (excluding moving violations) in accordance with the Enforcement Policies and Procedures.

“Parking Violation Revenue” means the revenues derived from any Parking Violations issued during the Term, any related fines imposed by the court (other than actual court costs) collected for Parking Violations or citations for violations of parking rules and regulations issued by an Enforcement Operator or police officer. The Schedule for Parking Fines is set forth on Schedule 3.

“Party” means a party to this Agreement and “Parties” means both of them.

“Period of Operation” means, (i) with respect to each Metered Parking Space, the Days and the period or periods of time during each Day that the parking of a motor vehicle in that Metered Parking Space is permitted and the payment of a Metered Parking Fee for use of that Metered Parking Space is required as set forth on Schedule 4; and (ii) with respect to the Parking Facilities, the Days and period or periods of time during each Day that the parking of a motor vehicle in a Parking Garage or Parking Lot is permitted as set forth on Schedule 4, and, in each case, as may be modified pursuant to Section 7.8.

“Period of Stay” means, with respect to each Metered Parking Space, the period or periods of time that the same motor vehicle may remain continuously parked in such Metered Parking Space as adjusted pursuant to the Enforcement Policies and Procedures. The initial Period of Stay will be established in a schedule delivered by the Port Authority to the City prior to the Closing Date, which schedule will (i) provide a maximum period of stay at all Metered Parking Spaces Monday through Friday before 5pm of the lesser of (A) the maximum period of stay in existence at the time of execution of this Agreement or (B) at least 3 hours, (ii) provide a maximum period of stay of at least 4 hours at all Metered Parking Spaces Monday through Friday after 5pm and on Saturday and (iii) maintain the existing Period of Stay for any Metered Parking Space with an existing Period of Stay that exceeds 6 hours.

“Permanent Removal” has the meaning ascribed thereto in Section 7.2(b).

“Permitted City Encumbrance” means, with respect to the Parking System: (i) the Port Authority Interest; (ii) any Encumbrance that is being contested, or being caused to be contested, by the City in accordance with Section 3.5(b) and disclosed in writing to the Port Authority (but only for so long as such contest effectively postpones enforcement of any such Encumbrance); (iii) inchoate materialmen’s, mechanics’, workmen’s, repairmen’s, employees’, carriers’, warehousemen’s or other like Encumbrances arising in the ordinary course of business of the Parking System or the City’s performance of any of its rights or obligations hereunder, and either (A) not delinquent or (B) which are being contested, or are being caused to be contested, by the City in accordance with Section 3.5(b) (but only for so long as such contest effectively postpones enforcement of any such Encumbrance); (iv) any easement, covenant, condition, right-of-way, or other matters of record, or any zoning, building, environmental, health or safety Law relating to the development, use or operation of the Parking System (or other similar reservation, right and restriction) or other defects and irregularities in the title to the Parking System; (v) the police and regulatory powers of the State of Ohio, City of Cincinnati, and Hamilton County with respect to the Parking System, and the regulation of traffic control and use of the Public Way, including the Reserved Enforcement Powers; (vi) any right reserved to or vested in any Governmental Authority by any statutory provision or under common law; (vii) any other Encumbrance permitted hereunder; (viii) any Encumbrances created, incurred, assumed or suffered to exist by the Port Authority or any Person claiming through it; (ix) any rights reserved to or vested in the City by any statutory provision; and (x) any amendment, extension, renewal or replacement of any of the foregoing.

“Permitted Port Authority Encumbrance” means, with respect to the Port Authority Interest: (i) any Encumbrance that is being contested in accordance with Section 3.5(a) (but only for so long as such contest effectively postpones enforcement of any such Encumbrance); (ii) any (A) lien or security interest for obligations not yet due and payable to a Contractor or other Person, (B) any statutory lien, deposit or other non-service lien or (C) lien, deposit or pledge to secure mandatory statutory obligations or performance of bids, tenders, contracts (other than for the repayment of borrowed money) or leases, or for purposes of like general nature, any of which are incurred in the ordinary course of business of the Parking System Operations and either (A) not delinquent or (B) which are being contested by the Port Authority in accordance with Section 3.5(a) (but only for so long as such contest effectively postpones enforcement of any such Encumbrance); (iii) inchoate materialmen’s, mechanics’, workmen’s, repairmen’s, employees’, carriers’, warehousemen’s, or other like Encumbrances arising in the ordinary course of business of the Parking System or the Port Authority’s performance of any of its rights or obligations hereunder, and either (A) not delinquent or (B) which are being contested by the Port Authority in accordance with Section 3.5(a) (but only for so long as such contest effectively postpones enforcement of any such Encumbrance); (iv) any right reserved to or vested in any Governmental Authority by any statutory provision or under common law; (v) any other Encumbrance created by the Port Authority and permitted hereunder; (vi) liens incurred in the ordinary course of business in connection with workers’ compensation, unemployment insurance, social security and other governmental rules and that do not in the aggregate materially impair the use, value or operation of the Parking System; (vii) any Encumbrances created, incurred, assumed or suffered to exist by the City or any Person claiming through the City (provided that the City has no right hereunder to create any such Encumbrances); (viii) any Encumbrance, security interest or pledge imposed upon the Port Authority as to Port Authority’s assets arising from borrowings, financings, leases or similar transactions in the ordinary course

of business (including any leasehold mortgage (and financing statements or other means of perfection thereto) or any Encumbrance created, incurred, assumed or suffered to exist by the Indenture in connection with the issuance of the Parking Bonds); and (ix) any amendment, extension, renewal or replacement of any of the foregoing.

“Person” means any individual (including, the heirs, beneficiaries, executors, legal representatives or administrators thereof), corporation, partnership, joint venture, trust, limited liability company, limited partnership, joint stock company, unincorporated association or other entity or a Governmental Authority.

“Port Authority” has the meaning ascribed thereto in the preamble to this Agreement.

“Port Authority Default” has the meaning ascribed thereto in Section 16.1(a).

“Port Authority Interest” means the interest of the Port Authority in the Parking System created by this Agreement and the rights and obligations of the Port Authority under this Agreement.

“Port Authority Request” means a written request in respect of the Parking System prepared by or on behalf of the Port Authority and addressed to the City seeking to make a fundamental change in the dimensions or location of any part of the Parking System; provided, however, that a Port Authority Request need not be submitted in connection with operations, maintenance or repair of the Parking System in the ordinary course or any other aspects of Parking System Operations permitted or reserved to the Port Authority under this Agreement, including any modification or change to the Operating Standards pursuant to Section 6.2.

“Property Taxes” means any ad valorem property tax attributable to the Parking System or the Port Authority Interest, including an ad valorem tax on real property and improvements, building, structures, fixtures and tangible personal property.

“Public Improvement” means any construction, reconstruction, improvement, enlargement, alteration, or repair of a building, highway, drainage system, water system, road, street, sidewalk, sidewalk area, alley, sewer, ditch, sewage disposal plant, water works, and all other structures or works of any nature by a public authority. Public Improvements include street improvements that enable the public use of the City’s street network by both automobile and public non-automobile modes of transportation (e.g., transportation by pedestrian way, bicycle, public bus, or public streetcar).

“Public Way” means the streets, alleys, driveways and sidewalks owned by (or for the benefit of) the City that provide and allow access to the Parking Facilities, and Parking Spaces within the Parking System.

“Quarter” means each calendar quarter of each Year of the Term.

“Rating Agency” means any of Standard & Poor’s Corporation, Moody’s Investors Service, Inc. or Fitch Investors Service, Inc. or any similar entity or any of their respective successors.

“Rate Covenant” has the meaning ascribed thereto in the Indenture.

“RC-Dispute Notice” has the meaning ascribed thereto in Section 15.3.

“RC- Notice” has the meaning ascribed thereto in Section 15.2.

“Regular Rate Adjustment” means the requirements to adjust Metered Parking Fees and Off-Street Parking Fees in 25 cent increments and pursuant to rounding conventions, both as set forth on Schedule 5.

“Representative” means, with respect to any Person, any director, officer, employee, official, partner, member, owner, agent, lawyer, accountant, auditor, professional advisor, consultant, engineer, Contractor, other Person for whom such Person is at law responsible or other representative of such Person and any professional advisor, consultant or engineer designated by such Person as its “Representative.”

“Required Coverages” has the meaning ascribed thereto in Section 13.1.

“Reserved Enforcement Powers” means the exercise by the City of those police and regulatory powers with respect to the On-Street Parking System, including Metered Parking Spaces, and the regulation of traffic, traffic control and the use of the Public Way that shall not be delegated to or shared with the Port Authority (or its Enforcement Operator), including exclusive and reserved rights of the City to: (i) establish and revise from time to time all parking regulations, and fines with respect to the Public Way; (ii) to issue citations for all moving violations of the traffic laws governing the Public Way; (iii) enforcement of the City’s residential permit program; (iv) enforcement of the snow route and emergency weather restrictions; and (v) enforcement of the street sweeping parking restrictions. For the avoidance of doubt, the definition of Reserved Enforcement Powers shall not include any authority delegated to the Port Authority in accordance with Enforcement Policies and Procedures, provided, however that the City may propose to delegate any Reserved Enforcement Power through a City Request in accordance with Article 5.1.

“Restrictive Covenant” has the meaning ascribed thereto in Section 3.23.

“Reversion Date” means the Business Day immediately following the End Date.

“Schedule” means a schedule attached hereto and incorporated in this Agreement, unless otherwise expressly indicated by the terms of this Agreement.

“Schedule of Parking Fees” means (i) the fee schedule for Metered Parking Spaces; and (ii) the schedule of rates and charges for use of the Parking Facilities, both as set forth in Schedule 5.

“Securities Act” means the United States Securities Act of 1933, as amended.

“Seventh Street Garage” has the meaning ascribed thereto in Section 4.5.

“Surplus Fund” has the meaning ascribed thereto in the Indenture.

“Sycamore Garage” means the new garage to be constructed by the Port Authority and which will replace the Seventh Street Garage pursuant to Sections 2.5(k) and 4.5.

“Sycamore Garage Plans” means the plans developed by the design build team composed of Messer Construction and Moody Nolan set forth on Schedule 12.

“Taxes” means any federal, state, local or foreign income, gross receipts, commercial activity, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, permit fees, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, parking, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax, levy, impost, stamp tax, duty, fee, withholding or similar imposition of any kind payable, levied, collected, withheld or assessed at any time, including any interest, penalty or addition thereto, whether disputed or not; including special assessments and other lawful assessments in the nature of taxes with respect to or against the Parking System or any applicable service payments or payments in lieu of taxes lawfully assessed with respect to or against the Off-Street Parking System.

“Tax Exempt Parking Bonds” means any Parking Bonds the interest on which is excluded from gross income for federal income tax purposes as of the date of issuance.

“Temporary Closure” means any interruption to, or any suspension of, Parking System Operations with respect to a Parking Space during the Period of Operation of such Parking Space for certain commercial purposes where a Temporary Closure Fee is or may be charged; provided, however, an interruption or suspension pursuant to an Identified Event or Global Event shall not be considered a Temporary Closure.

“Temporary Closure Fee” means with respect to a Temporary Closure due to the request of any Person, other than the Parties, seeking a Temporary Closure for approved purposes, a fee as set forth in the City’s municipal code for the meters set forth in Schedule 5 for Temporary Closure of such Metered Parking Spaces for a stated period.

“Term” means the term of the franchise and the term of the lease referred to in Section 2.1.

“Time of Closing” means 10:00 a.m. eastern time zone on the Closing Date or such other time on that date as the City and the Port Authority agree in writing that the Closing shall take place.

“Title Policy” has the meaning ascribed thereto in Section 2.4(a)(iii).

“Transaction” has the meaning ascribed thereto in Section 2.1.

“Transfer” means to sell, convey, assign, lease, sublease, mortgage, encumber, transfer or otherwise dispose of.

“Transferee” means any Person who obtains the Port Authority Interest pursuant to a Transfer.

“Trustee” means a savings bank, a savings and loan association or a commercial bank or trust company which would qualify as an Institutional Lender, designated by the Port Authority, that enters into an agreement with the Port Authority to serve as Trustee pursuant to the Indenture, provided that such Trustee shall have an office, branch, agency or representative located in the City of Cincinnati as of the date of issuance of the Parking Bonds (with respect to the initial trustee) or as of the date of appointment as trustee under the Indenture (with respect to a successor trustee).

“Underwriter” means Guggenheim Securities, LLC.

“Unmetered Parking Spaces” means any space within the On-Street Parking System that has neither a Metering Device nor is subject to a Metered Parking Fee.

“Year” means the calendar year.

“Zone” or “Zones” means the downtown central business district, or each entire neighborhood, as applicable. A “neighborhood” is each non-overlapping area outside of the central business district that contains no fewer than 50 Metered Parking Spaces and not more than 300 Metered Parking Spaces.

**Section 1.2. Number and Gender.** In this Agreement words in the singular include the plural and vice versa and words in one gender include all genders.

**Section 1.3. Headings.** The division of this Agreement into articles, sections and other subdivisions is for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The headings in this Agreement are not intended to be full or precise descriptions of the text to which they refer and shall not be considered part of this Agreement.

**Section 1.4. References to this Agreement.** The words “herein,” “hereby,” “hereof,” “hereto” and “hereunder” and words of similar import refer to this Agreement as a whole and not to any particular portion of it. The words “Article,” “Section,” “paragraph,” “sentence,” “clause” and “Schedule” mean and refer to the specified article, section, paragraph, sentence, clause or schedule of or to this Agreement.

**Section 1.5. References to Any Person.** A reference in this Agreement to any Person at any time refers to such Person’s permitted successors and assignees.

**Section 1.6. Meaning of Including.** In this Agreement, the words “include,” “includes” or “including” mean “include without limitation,” “includes without limitation” and “including without limitation,” respectively, and the words following “include,” “includes” or “including” shall not be considered to set forth an exhaustive list.

**Section 1.7. Meaning of Discretion.** Unless otherwise stated in this Agreement, the word “discretion” with respect to any Person means the sole and absolute discretion of such Person.

**Section 1.8. Meaning of Notice.** In this Agreement, the word “notice” means “written notice,” unless specified otherwise.

**Section 1.9. Consents and Approvals.** Unless specified otherwise, wherever the provisions of this Agreement require or provide for or permit an approval or consent by either Party, such approval or consent, and any request therefor, must be in writing (unless waived in writing by the other Party).

**Section 1.10. Trade Meanings.** Unless otherwise defined herein, words or abbreviations that have well-known trade meanings are used herein in accordance with those meanings.

**Section 1.11. Laws.** Unless specified otherwise, references to a Law are considered to be a reference to (i) such Law as it may be amended from time to time, (ii) all regulations and rules pertaining to or promulgated pursuant to such Law, (iii) the successor to the Law resulting from recodification or similar reorganizing of Laws and (iv) all future Laws pertaining to the same or similar subject matter. Nothing in this Agreement shall fetter or otherwise interfere with the right and authority of the City to enact, administer, apply and enforce any Law; provided, however, that the enactment of a Law by the City may constitute a violation of the Restrictive Covenant or a City Default and subject the City to remedies hereunder, including injunctive relief.

**Section 1.12. Currency.** Unless specified otherwise, all statements of or references to dollar amounts or money in this Agreement are to the lawful currency of the United States of America.

**Section 1.13. Generally Accepted Governmental Accounting Principles.** All accounting and financial terms used herein, unless specifically provided to the contrary, shall be interpreted and applied in accordance with generally accepted governmental accounting principles in the United States of America, consistently applied.

**Section 1.14. Calculation of Time.** For purposes of this Agreement, a period of Days shall be deemed to begin on the first Day after the event that began the period and to end at 5:00 p.m. (Eastern Daylight Time) on the last Day of the period. If, however, the last Day of the period does not fall on a Business Day, the period shall be deemed to end at 5:00 p.m. (Eastern Daylight Time) on the next Business Day.

**Section 1.15. Approvals, Consents and Performance by the City.**

(a) *Procedures.* Excluding any action, Person, or Document that requires the consent or approval of the Advisory Committee, wherever the provisions of this Agreement require or provide for or permit an approval or consent by the City of or to any action, Person, Document, or other matter contemplated by this Agreement, the following provisions shall apply: (i) such request for approval or consent must (1) contain or be accompanied by any documentation or information required for such approval or consent in reasonably sufficient detail, as reasonably determined by the City, (2) clearly set forth the matter in respect of which such approval or consent is being sought, (3) form the sole subject matter of the correspondence containing such request for approval or consent, and (4) state clearly that such approval or consent is being



sought; (ii) unless otherwise provided in the Agreement, such approval or consent shall be in the City's sole reasonable discretion; (iii) the City shall advise the Port Authority by written notice either that it consents or approves or that it withholds its consent or approval, in which latter case it shall set forth, in reasonable detail, its reasons for withholding its consent or approval, which reasons may include the insufficiency, as determined by the City, of the information or documentation provided; (iv) unless a time period is specifically set forth elsewhere herein the City shall provide the foregoing written notice no later than Ten (10) Business Days of receipt of the Port Authority's request, provided, however, that if the City should fail to respond within the aforesaid period, the Port Authority shall deem such non-response as a general denial of the matter of which such approval or consent is being sought, provided, however, that the Port Authority may provide a supplemental request Five (5) Business Days following the City's initial failure to respond and if the City's fails to respond within Ten (10) Business Days of the City's receipt of the supplemental request, the Port Authority may deem such a failure to respond an Approval of the matter of which such approval or consent is being sought; (v) if the responding notice mentioned in clause (iii) of this Section 1.15(a) indicates that the City does not approve or consent, the Port Authority may take whatever steps may be necessary to satisfy the objections of the City set out in the responding notice and, thereupon, may resubmit such request for approval or consent from time to time and the provisions of this Section 1.15 shall again apply; and (vi) for the avoidance of doubt, any dispute as to whether or not a consent or approval has been unreasonably withheld, conditioned or delayed shall be resolved in accordance with the provisions of Article 19.

(b) *Authority of the City.* Wherever this Agreement provides that an act is to be taken or performed or approval or consent is to be given by the City, such act may be taken or performed or approval or consent may be given by the City Manager of the City (or in his or her absence, any officially designated designee thereof), without further action by the City Council of the City and the Port Authority may rely thereon in all respects.

(c) *Approved Documents.* Subject to the other provisions hereof, wherever in this Agreement, an approval or consent by the City is required with respect to any document, proposal, certificate, plan, drawing, specification, contract, agreement, budget, schedule, report or other written instrument whatsoever (a "Document"), following such Approval such Document shall not be amended, supplemented, replaced, revised, modified, altered or changed in any manner whatsoever without obtaining a further Approval in accordance with the provisions of this Section 1.15.

**Section 1.16. Incorporation of Schedules.** The Schedules are integral to, and are made a part of, this Agreement. In the event of any conflict between the terms of this Agreement and the terms of the Schedules, the terms of this Agreement shall control.

|            |   |
|------------|---|
| Schedule 1 | Parking System Contracts                      |
| Schedule 2 | Operating Standards                           |
| Schedule 3 | Enforcement Policies and Procedures           |
| Schedule 4 | Parking Hours                                 |
| Schedule 5 | Schedule of Parking Fees and Zones            |
| Schedule 6 | Exempt Excluded Off-Street Parking Facilities |
| Schedule 7 | [Reserved]                                    |

|             |  |
|-------------|--|
| Schedule 8  | Financial Information                  |
| Schedule 9  | Identified Events                      |
| Schedule 10 | Parking System Ordinances              |
| Schedule 11 | Parking System Land                    |
| Schedule 12 | Sycamore Garage Plans                  |
| Schedule 13 | Memorandum of Lease                    |
| Schedule 14 | City Advertising Policy                |
| Schedule 15 | [Reserved]                             |
| Schedule 16 | Advisory Committee Rules of Governance |
| Schedule 17 | Note                                   |
| Schedule 18 | Technological Improvements             |

## ARTICLE 2

### THE TRANSACTION; CLOSING; CONDITIONS PRECEDENT; COVENANTS

**Section 2.1. Grant of Franchise.** Upon the terms and subject to the conditions of this Agreement, effective at the Time of Closing, (a) the Port Authority shall (i) pay the payment estimated to be One Hundred Ninety Seven Million Dollars (\$197,000,000) depending upon the sale of the Parking Bonds, (the “Closing Consideration”), where Ninety Two Million Dollars (\$92,000,000) depending upon the sale of the Parking Bonds of the Closing Consideration is payable in immediately available funds on the Closing Date (“Bond Proceeds Amount”) and (ii) deliver to the City on the Closing Date the Note in the total principal amount of not less than one hundred and five million dollars (\$105,000,000) for the remainder of the Closing Consideration, where said Note shall be payable from the Available Revenues as an inducement in consideration for signing the Agreement with the Port Authority; provided, that, the Parties acknowledge that the payment of the Bond Proceeds Amount and the corresponding amount of the Note is dependent on the ratings for the Parking Bonds and market conditions on the date of sale of the Parking Bonds, and therefore, the Bond Proceeds Amount and the corresponding amount of the Note may be more or less than amount specified above (as reasonably determined by the Port Authority after using its commercially reasonable efforts to maximize the Bond Proceeds Amount) but if the Bond Proceeds Amount falls below Eighty Five Million Dollars (\$85,000,000), the City may immediately terminate this Agreement; and (b) the City shall and does hereby (i) demise and lease the Off-Street Parking System to the Port Authority free and clear of Encumbrances other than Permitted City Encumbrances for and during the Term commencing on the Closing Date and expiring at 11:59 p.m. on the Fiftieth (50th) anniversary of the Closing Date (subject to the terms of the Indenture), and (ii) grant to the Port Authority an exclusive franchise right in accordance with Ohio Revised Code Section 737.022, free and clear of any Encumbrances (other than Permitted City Encumbrances) for and during the Term, commencing on the Closing Date and expiring at 11:59 p.m. on the Thirtieth (30th) anniversary of the Closing Date, to operate the On-Street Parking System. In connection with such lease and franchise, the Port Authority shall (A) use, operate, manage, redesign, maintain and rehabilitate the Parking System; (B) collect and retain Parking Revenue; and (C) charge and collect Parking Violation Revenues. Upon Closing, the City must assign, transfer and otherwise convey to the Port Authority by bill of sale all of the personal property used in connection with the Parking System Operations and by lease all of the real property used in connection with the Off-Street Parking System, free and clear of any Encumbrances (other than Permitted City Encumbrances) and the Port Authority shall accept each such grant, assignment, transfer and conveyance (collectively, the “Transaction”).

#### **Section 2.2. Closing.**

(a) The closing of the Transaction (the “Closing”) shall take place on the date set forth in the Bond Purchase Agreement described in Section 2.3(a) (the “Closing Date”). The Closing shall be held at the offices of Frost Brown Todd, LLC 3300 Great American Tower, 301 East Fourth Street, Cincinnati, Ohio 45202 or such other place agreed to in writing by the City and the Port Authority. At the Time of Closing, the Port Authority shall deliver or cause to be delivered to the City the Closing Consideration due on the Closing Date, and upon receipt of

such payment the Transaction shall be effective. Port Authority shall wire the Bond Proceeds Amount, less any Good Faith Deposit or Closing Deposit retained by the City pursuant to Section 2.3, to bank account(s) and in increments designated by the City. Upon receipt of the funds described in the preceding sentence, the City shall immediately cancel and return the Closing Deposit, but the Good Faith Deposit may be applied against the Closing Consideration by the City in accordance with Section 2.3(c).

(b) All revenues, charges, costs and expenses with respect to Assumed Liabilities shall be prorated between the City and the Port Authority as of 11:59 p.m. on the Day immediately preceding the Closing Date based upon the actual number of Days in the month and a 365-day year and the required payment resulting from such proration shall be added to or subtracted from the Closing Consideration accordingly. If final prorations cannot be made at the Closing for any item being prorated under this Section 2.2(b), then the City and the Port Authority shall allocate such items on a fair and equitable basis as soon as revenue statements, invoices or bills are available, with final adjustment to be made as soon as reasonably possible after the Closing Date. The City and the Port Authority shall have reasonable access to, and the right to inspect and audit, the other's books to confirm the final prorations to the extent permitted by Law.

### **Section 2.3. Deposit.**

(a) After approval of this Agreement and within 10 Business Days after receipt of ratings for the senior series of Parking Bonds and authorization of the Parking Bonds by the Port Authority, the Port Authority will deliver to the City (i) a fully executed Bond Purchase Agreement for the Parking Bonds in an amount sufficient to provide the minimum Bond Proceeds Amount specified in Section 2.1 or (ii) a good faith deposit received from the Underwriter (the "Good Faith Deposit") or one or more Letters of Credit with a term of at least one hundred twenty (120) Days from the date hereof (the "Closing Deposit"), in an aggregate amount equal to one percent (1.00%) of the anticipated principal amount of the Parking Bonds to be held by the City for the sole purpose described in Section 2.3(b). The City shall deposit any Good Faith Deposit with the Escrow Agent, which shall invest such amount in Eligible Investments pending the Closing.

(b) If, within 90 days of receipt of an unqualified opinion of counsel to the City (that remains continuously in full force and effect) to the effect that the Parking System Ordinances are then effective, the Underwriter fails to deliver a Bond Purchase Agreement executed by it to the Port Authority or fails to comply with the terms and conditions of an executed Bond Purchase Agreement (so long as, in either case said failure is not the result of the Port Authority's or the City's actions or omissions), then the City shall be entitled to immediately terminate this Agreement and (i) retain the Good Faith Deposit and all interest accrued thereon or, (ii) without notice to the Port Authority, immediately draw the full amount of the Closing Deposit upon presentation of a sight draft and a certificate confirming that the City has the right to draw under the Closing Deposit in the amount of such sight draft, and the City shall be entitled to retain all of the proceeds of the Closing Deposit; provided, however, that if this Agreement is terminated for any other reason, the City shall return any Good Faith Deposit and the interest earned thereon to the Underwriter in accordance with the Underwriter's reasonable instructions, or deliver, in accordance with the Underwriter's reasonable instructions, the Closing Deposit and agree to

cancel the Closing Deposit, in each case, immediately following any such termination; provided further, however, that such 90 day period may be extended if, in the reasonable judgment of the Port Authority, the Parking Bonds (or similar revenue bonds supported by parking revenues from a large urban parking system) cannot be marketed to sophisticated institutional investors for reasons other than a delay caused by the action or inaction of the Port Authority. The Port Authority acknowledges that the loss the City will incur in the event of a termination under this paragraph is difficult to ascertain, and that the City's right to retain the Good Faith Deposit or to draw the Closing Deposit as set forth above is based on the Parties' reasonable estimate – taking into account the magnitude of the transaction contemplated by this Agreement and the other relevant considerations – as to such loss and is not intended as, and does not constitute, a penalty. Except in cases involving fraud or willful breach by the Port Authority, the right of the City to retain the Good Faith Deposit or to draw the Closing Deposit is intended to be, and shall constitute, liquidated damages, and any payment thereof to the City shall terminate the City's rights and remedies in all respects.

(c) At Closing, upon the satisfaction of the conditions set forth in Sections 2.4(a), 2.4(b) and 2.4(c), the Good Faith Deposit (including any accrued interest) or the Closing Deposit and all investment earnings accrued thereupon shall, at the discretion of the Underwriter, either (i) be applied as a credit against the Closing Consideration, or (ii) be returned to the Underwriter.

#### **Section 2.4. Conditions Precedent; Termination.**

(a) *Conditions for the Benefit of the Port Authority.* The Port Authority shall be obligated to complete the Closing only if each of the following conditions has been satisfied in full at or before the Time of Closing, unless waived by the Port Authority: (i) the representations and warranties of the City set forth in Section 9.1 shall be true and correct in all material respects on and as of the date hereof and at and as of the Time of Closing with the same force and effect as if made at and as of such time and date except that representations and warranties that by their terms speak only as of the date of this Agreement or some other date need to be true and correct only as of such date; (ii) the City shall not be in material breach of any material covenant on its part contained in this Agreement which is to be performed or complied with by the City at or prior to the Time of Closing; (iii) the City shall have obtained and delivered to the Port Authority effective at the Time of Closing, valid, executed and enforceable assignments of all Parking System Contracts that are not to be terminated or amended, an approved settlement of prorated Taxes and other expenses, and a leasehold title policy or policies, in the form and substance reasonably acceptable to the Port Authority, insuring the leasehold interest of the Port Authority (which will include an endorsement with the terms of the leasehold coverage), which policy or policies will reflect that the City (as lessor) owns the good and marketable title (or that good and marketable title is owned for the benefit of the City) to the Parking Facilities and Parking System Land, and has conveyed to the Port Authority a valid and enforceable leasehold estate and franchise as described herein, subject only to Permitted City Encumbrances and Permitted Port Authority Encumbrances (the "Title Policy"); (iv) the Schedule of Parking Fees shall be in full force and effect and not subject to referendum; (v) the City has a minimum of Four Thousand Nine Hundred Seventy Nine (4,979) Metered Parking Spaces and Two Thousand Five Hundred Twenty-Eight (2,528) Off-Street Parking Spaces as of the Time of Closing, and no material casualty has taken place with respect to the Parking System, (vi) the

City shall have delivered to the Port Authority and Underwriter legal opinions of counsel to the City reasonably acceptable to the Underwriter; (vii) the Council shall have adopted the Parking System Ordinances authorizing the City to enter into the Transaction and to comply with all of the obligations and undertakings of the City contemplated hereunder, which Parking System Ordinances shall be in full force and effect and not subject to referendum on the Closing Date and have been delivered by the City Manager on behalf of the City and the Council; (viii) the Port Authority shall have received from the Underwriter, or its designee, sufficient net proceeds of the Parking Bonds issued by the Port Authority to pay the Bond Proceeds Amount to the City due on the Closing Date; and (ix) the City shall have delivered to the Port Authority and the Underwriter a certificate confirming that each of the conditions set forth in Section 2.4(a)(i) through Section 2.4(a)(viii) has been satisfied in full by the City (except for any condition that has been waived by the Port Authority and the Underwriter) at or before the Time of Closing.

(b) *Conditions for the Benefit of the City.* The City shall be obligated to complete the Closing only if each of the following conditions precedent has been satisfied in full at or before the Time of Closing, unless waived by the City: (i) all representations and warranties of the Port Authority in Section 9.2 shall be true and correct in all material respects on and as of the date hereof at and as of the Time of Closing with the same force and effect as if made at and as of such time and date except that representations and warranties that by their terms speak only as of the date of this Agreement or some other date need be true and correct only as of such date; (ii) the Port Authority shall not be in material breach of any material covenant on its part contained in this Agreement which is to be performed or complied with by the Port Authority at or prior to the Time of Closing (including the failure of the Port Authority to pay the Closing Consideration at Closing in accordance with the terms hereof); (iii) the Port Authority shall have delivered to the City a legal opinion of counsel to the Port Authority; (iv) the Port Authority shall have entered into an Asset Management Agreement with the Initial Asset Manager that qualifies and is consistent with the conditions set forth under Rev. Proc. 97-13 so as to not result in private business use under § 141(b) of the Internal Revenue Code; (v) the Initial Asset Manager shall have entered into an Operating Agreement with the Initial On-Street Operator and Initial Off-Street Operator; (vi) the Port Authority shall have delivered the fully executed Note; and (vii) the Port Authority shall have issued the Parking Bonds and delivered to the City a certificate confirming that each of the conditions set forth in Section 2.4(b)(i) through Section 2.4(b)(vi) has been satisfied in full by the Port Authority (except for any condition that has been waived by the City) at or before the Time of Closing.

(c) *Mutual Conditions.* The City and the Port Authority shall be obligated to complete the Closing only if each of the following conditions precedent has been satisfied in full at or before the Time of Closing, unless waived by both the City and the Port Authority: (i) there shall be no preliminary or permanent injunction or temporary restraining order or other order issued by a Governmental Authority of competent jurisdiction or other legal restraint or prohibition enjoining or preventing the consummation of the Transaction; and (ii) there shall be no action taken, or any Law enacted, entered, enforced or deemed applicable to the Transaction by any Governmental Authority of competent jurisdiction that, in any such case, has resulted or (in the case of any pending review or proceeding, if adversely determined) could reasonably be expected to result in such Governmental Authority conditioning or restricting the consummation of the Transaction in a manner that would impose a material impairment or make the consummation of the Transaction illegal.

(d) *Termination.* This Agreement may be terminated at any time prior to the Closing:

(i) by mutual consent of the City and the Port Authority in a written instrument;

(ii) by either the City or the Port Authority, upon notice to the other Party, if any Governmental Authority (excluding the City) of competent jurisdiction shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the Transaction, and such order, decree, ruling or other action has become final and nonappealable; *provided; however*, that the right to terminate this Agreement under this Section 2.4(d)(ii) shall not be available to any Party whose failure to comply with any provision of this Agreement or other conduct has been the cause of, or results in such action;

(iii) by the Port Authority, upon notice to the City, if any condition set forth in Section 2.4(a) is not satisfied at the Time of Closing; *provided*, however, that the Port Authority shall not have the right to terminate this Agreement under this Section 2.4(d)(iii) if the Port Authority's failure to comply with any provision of this Agreement or other conduct has been the cause of, or resulted in, the failure of such condition or conditions to be satisfied; or

(iv) by the City, upon notice to the Port Authority, if any condition set forth in Section 2.4(b) is not satisfied at the Time of Closing; *provided*, however, that the City shall not have the right to terminate this Agreement under this Section 2.4(d)(iv) if the City's failure to comply with any provision of this Agreement or other conduct has been the cause of, or resulted in, the failure of such condition or conditions to be satisfied.

(e) *Effect of Termination.* In the event of termination of this Agreement by either the City or the Port Authority as provided in Sections 2.4(d) this Agreement shall forthwith become void and there shall be no liability or obligation on the part of the City or the Port Authority or their respective Representatives, except as set forth in Section 2.3(b), this Section 2.4(e), Article 12, and Article 19. In the event of termination pursuant to Section 2.4(d)(i), (ii) or (iii), any Good Faith Deposit made and all investment earnings accrued thereon shall be paid to the Underwriter.

## **Section 2.5. Covenants.**

(a) *Cooperation.* During the Closing Period, the Parties shall cooperate with each other, the Asset Manager, Operator, and Underwriter in order to permit the Closing to be consummated on the Closing Date. After the Closing Date, the Parties, the Asset Manager and the Operator shall cooperate in a commercially reasonable manner regarding the transition of enforcement and operational control of the Parking System. In furtherance of the foregoing, the Port Authority, the Asset Manager, and the Operator will prepare prior to the Closing Date, after consultation with the City, a detailed plan for the transition of the Parking System to the Port Authority.

(b) *Reasonable Efforts.* During the Closing Period, each Party shall use all reasonable efforts (i) to take, or cause to be taken, all actions necessary to comply promptly with all

requirements under this Agreement and all legal requirements which may be imposed on such Party to consummate the Transaction as promptly as practicable, including making any necessary filings, and (ii) to obtain (and to cooperate with the other Party to obtain) any Consent of any Governmental Authority or any other public or private third party which is required to be obtained or made by such Party in connection with the consummation of the Transaction. Subject to Section 8.2(b), each Party shall promptly cooperate with and, upon request by the other Party, promptly furnish any non-confidential or non-proprietary information to the other in connection with any such efforts by, or requirement imposed upon, any of them in connection with the foregoing.

(c) *Injunctions.* If any Governmental Authority of competent jurisdiction issues a preliminary or permanent injunction or temporary restraining order or other order before the Time of Closing which would prohibit or materially restrict or hinder the Closing, each Party shall use all reasonable efforts to have such injunction, decree or order dissolved or otherwise eliminated or to eliminate the condition that formed the basis for such injunction or order, in each case as promptly as possible and, in any event, prior to the Time of Closing.

(d) *Operation of the Parking System.* During the Closing Period, the City shall operate the Parking System in the ordinary course in a manner consistent with past practice, which shall include using all reasonable efforts to preserve the goodwill of the Parking System and to maintain good business relationships with Persons having business dealings with the Parking System, to maintain the Parking System in substantially the same or better condition and repair as they exist on the date hereof and in accordance with past practice (ordinary wear and tear excepted), to perform (or cause to be performed) in all material respects all of the City's obligations under the Parking System Contracts, not to incur Encumbrances on the Parking System (other than Permitted City Encumbrances) that are not satisfied by the Closing Date (or retained by the City as Excluded Liabilities after the Closing Date), and to cause the Parking System to be operated in all material respects in accordance with all applicable Laws (except to the extent any non-compliance is being contested in good faith by appropriate proceedings and which are disclosed to Port Authority and Underwriter prior to the execution of this Agreement or, if occurring during the Closing Period, within Three (3) Days of the City becoming aware of the noncompliance but in no event less than Three (3) Days prior to Closing), all to the end that the Parking System as a going concern shall be unimpaired and delivered to the Port Authority at the Time of Closing in a condition not materially worse than the condition as of the date hereof; provided, however, that the City shall not amend, modify, renew, execute or otherwise negotiate any contracts relating to the Parking System or the Parking System Operations after the date hereof up to the Time of Closing without the prior written approval of the Port Authority and Underwriter, provided, however, that no such written approval shall be required for any such contract that expires prior to Closing or is not a Parking System Contract. The City, shall, up to and including the Time of Closing, be entitled to all of the cash or cash equivalents in or generated by the Parking System (subject to the terms of Section 2.2(b) in the case of any cash or cash equivalents that are paid prior to the Time of Closing but are allocable to periods after the Time of Closing), including any Parking Violation Revenue received prior to the Time of Closing. Without limiting the foregoing, the City shall not terminate, amend, modify or agree to a waiver of the terms of any Authorization related to the Parking System after the date of this Agreement and before the Time of Closing without the consent of the Port Authority and Underwriter, which shall not be unreasonably withheld,



conditioned or delayed, provided, however, that no such consent shall be required for Authorizations that are not assignable to, or necessary for the operations of, the Port Authority, Asset Manager, or Operator.

(e) *Parking System Contracts.* The Parking System Contracts shall be terminated by or assigned by the City to, and assumed by, the Port Authority at the Time of Closing pursuant to written direction of the Port Authority. All other contracts related to the Operation of the Parking System shall either be retained by the City following the Closing Date (so long as such retained contracts do not interfere with the operation of the Parking System) or be terminated by the City, effective at the time of Closing; provided, however, that any liability under or related to any Parking System Contract attributable to periods prior to the effectiveness of the assignment thereof to the Port Authority, shall be solely for the account of the City.

(f) *Disclosure of Changes.*

(i) During the Closing Period, each Party shall immediately disclose in writing to the other Party any matter which becomes known to it which is inconsistent in any material respect with any of the representations or warranties contained in Article 9. In the event that the City is the disclosing Party during the Closing Period, any such writing shall also be provided to the Underwriter. No such disclosure, however, shall cure any misrepresentation or breach of warranty for the purposes of Section 2.4 or Article 12; and

(ii) During the Closing Period, the City may supplement or amend the Schedules hereto, including one or more supplements or amendments to correct any matter which would constitute a breach of any representation, warranty, covenant or obligation contained herein. No such supplement or amendment shall be deemed to cure any breach for purposes of Section 2.4(a).

(g) *Access to Information.* During the Closing Period, but subject to confidentiality obligations binding on the City with respect to any Person (provided that the City has disclosed to the Port Authority the existence of the applicable Document that is subject to such confidentiality limitation in order to enable the Port Authority to evaluate the materiality and significance of the lack of disclosure based on such limitations) the City shall (i) give the Port Authority and its Representatives reasonable access during normal business hours and on reasonable notice to the Parking System, subject to the City's policies and regulations regarding safety and security and any other reasonable conditions imposed by the City, (ii) permit the Port Authority and its Representatives to make such inspections as they may reasonably request and (iii) to furnish the Port Authority and its Representatives with such financial and operating data and other information that is available with respect to the Parking System as they may from time to time reasonably request. Subject to applicable Law, the Port Authority shall hold and will cause its Representatives to hold in strict confidence all Documents and information it obtains concerning the Parking System in connection with the Transaction. After the Closing Date, the Port Authority shall at the request of the City, in connection with claims or actions brought by or against third parties based upon events or circumstances concerning the Parking System prior to the Closing Date, (A) provide reasonable assistance in the collection of information or

Documents and (B) make the Port Authority's employees available when reasonably requested by the City.

(h) *Casualty Loss Prior to Closing.* If prior to the Time of Closing, a material casualty loss, destruction or damage to the Parking System has occurred, then the City shall, at its option, within Five (5) Business Days of such event, either (i) promptly and diligently repair and rebuild the affected parts of the Parking System to restore them to at least the same condition in which they were before the occurrence of such casualty loss, destruction or damage, provided that if the affected parts of the Parking System cannot prior to the Closing Date be repaired or rebuilt to restore them to at least the same condition in which they were before the occurrence of such material casualty loss, destruction or damage, the City shall make such repairs or restoration as can reasonably be completed prior to the Closing Date and shall provide to the Port Authority and Underwriter a plan for the completion of such repairs or restoration following the Time of Closing at the City's expense and shall then complete such repairs or restoration in accordance with such plan; (ii) authorize the Port Authority to repair the Parking System and assign to the Port Authority all insurance and other proceeds (if any) payable by third-party insurers or other third parties in respect of such casualty loss, destruction or damage and enforce (with the cooperation of the Port Authority) all of its rights, remedies and privileges under any applicable insurance policies with third-party insurers; or (iii) exclude the affected parts of the Parking System from the scope of the Parking System. In case the City elects (ii) or (iii), it will thereafter agree with the Port Authority and Underwriter to an adjustment of the Closing Consideration; provided, however where the City, Port Authority, and Underwriter are unable to agree to such an adjustment to the Closing Consideration within Ten (10) Days of the casualty loss, destruction, or damage to the Parking System (as that period of time may be extended by the mutual agreement of the City, Port Authority and Underwriter), then the adjustment to the Closing Consideration shall be determined pursuant to a written appraisal by an independent third party appraiser that is nationally recognized in appraising similar assets that is acceptable to the City and the Port Authority. If the Parties fail to agree upon such a single appraiser by the earlier of (x) Thirty (30) Days after the material casualty loss, destruction or damage to the Parking System, or (y) Ten (10) Days prior to the Closing Date, then the City and the Port Authority shall each appoint an independent third party appraiser and both such appraisers shall be instructed jointly to select an equally qualified third party independent appraiser to make the adjustment to the Closing Consideration, where such adjustment shall be binding as if initially agreed to in this Agreement. The cost of such binding appraisal shall be shared equally by the Parties. The Port Authority may elect to delay the Closing Date by a period of time reasonably necessary for the qualified third party independent appraiser to complete its appraisal, for the Port Authority to provide any necessary disclosure updates to prospective purchasers of Parking Bonds and, if and to the extent necessary, for the Port Authority to remarket the Parking Bonds. If the Port Authority does not elect to delay the Closing Date, proceeds of the Parking Bonds payable to the City in the amount of the Closing Consideration in question will be placed in escrow with the Trustee pending completion of the appraisal. If the appraisal shows a reduced amount of Closing Consideration due to the City, the Port Authority will cause the Trustee to promptly pay to the City an amount equal to the escrow deposit less the amount of reduction of Closing Consideration. The Port Authority, at its option, upon receipt of an opinion of nationally recognized bond counsel that such action will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Tax Exempt Parking Bonds, may (A) pay the remaining escrow amount to the City and

reduce the Note in a like amount, (B) use the remaining escrow amount to redeem a portion of the Parking Bonds, (C) transfer the remaining escrow amount to the Capital Reserve Fund, (D) transfer the remaining escrow amount to the Bond Service Fund held under the Indenture or (E) a combination of (A)-(D).

(i) *Policies of Insurance.* During the Closing Period, the City shall continue in force all applicable policies of insurance maintained by the City in respect of the Parking System. At the Time of Closing, all such policies of insurance shall terminate and the Port Authority, acting through the Operator, shall be responsible for obtaining insurance for the Parking System in accordance with the terms hereof.

(j) *Employees.* Prior to the Time of Closing, the Port Authority shall cause the Operator to interview all of the Parking System Employees who apply for a position with Operator. Neither the Port Authority nor Operator shall have any obligation to offer employment to any such individual but may, in its discretion, choose to do so. If the Operator makes any offer of employment to any such individual, such offer shall contain only the terms and conditions of employment that the Operator deems to be appropriate in its discretion. Any Parking System Employees who are employed by the Operator will be hired as new employees.

(k) *Sycamore Garage.* The Port Authority acknowledges that the City has entered into a certain development agreement relating to the demolition of the Seventh Street Garage and the construction of the Sycamore Garage. The Port Authority further acknowledges that the Sycamore Garage Plans existing as of the date hereof have been made available to Port Authority. Following the Closing Date, the Port Authority covenants to use commercially reasonable efforts to design and construct the Sycamore Garage in accordance with the Sycamore Garage Plans and this Agreement. The Port Authority further covenants to make the Port Authority and the City the beneficiary of any contractor's warranties in such contracts to the extent of their respective interest therein.

**Section 2.6. Intended Treatment for Federal and State Income Tax Purposes.** This Agreement is intended for United States federal and state income Tax purposes to be a sale of the Parking System to the Port Authority, a lease of the Parking System Land, a grant to the Port Authority of a right and franchise within the meaning of sections 197(d)(1)(D) and (F) of the Internal Revenue Code of 1986, and sections 1.197-2(b)(8) and (10) of the Income Tax Regulations thereunder, for and during the Term to provide Parking Services, and an assignment to the Port Authority of all other section 197 intangibles (within the meaning of such in the Internal Revenue Code of 1986) held by the City with respect to the Parking System and conveyed by this Agreement. The City and the Port Authority agree that the Closing Consideration will be allocated among the assets that the Port Authority is obtaining the use of pursuant to this Agreement using the residual allocation provisions of section 1060 of the Internal Revenue Code of 1986 as provided therein. Notwithstanding the foregoing, this provision only sets forth the intentions of the parties with respect to federal and state income tax purposes, and no provision of this Agreement is intended to, or shall in any way, transfer any fee interest in real property or improvements comprising the Parking System to the Port Authority for purposes of the common law of Ohio. All improvements now or hereafter forming part of the Parking Facilities shall be the fee-owned property of the City and are subject to the terms and conditions of this Agreement.

**Section 2.7. Closing Deliveries.** At the Time of Closing, each Party shall execute and deliver all assets, agreements, bills of sale, assignments, meter licenses, endorsements, instruments and Documents as are reasonably necessary in the opinion of the other Party to effect the Transaction (and in form and substance that are reasonably satisfactory to such other Party).

**Section 2.8. Memorandum of Lease.** At the time of Closing, the Parties shall execute and deliver a memorandum of lease (the “Memorandum of Lease”) in the form attached hereto as Schedule 13, which shall be filed with the Hamilton County Recorder’s Office. To the extent that changes are made to this Agreement with respect to the Term, Parking System Land, or other material matters set forth in the Memorandum of Lease, the Parties shall execute, deliver, and record an amendment to the recorded Memorandum of Lease reflecting such changes. The Parties agree not to record this Agreement itself.

**Section 2.9. No General Obligations.** Notwithstanding anything herein to the contrary, the obligations, covenants, and agreements of the Port Authority hereunder shall not constitute a debt, or a pledge of the faith and credit of the Port Authority and the City shall have no right to have taxes levied by the Port Authority for payment of any amount due hereunder.

## ARTICLE 3

### TERMS OF THE FRANCHISE

#### **Section 3.1. Right to Use and Present Condition.**

(a) *Right to Use.* The City agrees that, subject to the City’s remedies upon a Port Authority Default, the Port Authority shall, at all times during the Term, be entitled to and shall have the use of the Parking System and the rights and privileges granted to the Port Authority hereunder, subject to (i) the provisions contained in this Agreement and (ii) the police and regulatory powers of the City, including the Reserved Enforcement Powers. The City and the Port Authority acknowledge that the Port Authority’s rights to the Parking System and, to collect and, subject to the obligations arising under the Note and Indenture, retain Parking Revenue are subject to the right of the City, in accordance with the terms of this Agreement, to monitor compliance with this Agreement to ensure that the Port Authority complies with the terms of this Agreement, including, without limitation, the maintenance and operation of the Parking System in accordance with the Operating Standards. Any entry by the City or any of its Representatives onto the Parking System required or permitted under this Agreement shall not constitute a reentry, trespass or a breach of the covenant for quiet enjoyment contained in this Agreement.

(b) *Present Condition.* Subject to Section 2.5(h) and except as specifically set forth herein, the Port Authority understands, agrees and acknowledges that the Port Authority (i) by the execution of this Agreement, agrees to accept the Parking System “AS IS” at the Time of Closing and (ii) has inspected the Parking System and is aware of its condition and acknowledges that the City neither has made nor is making any representation or warranty, express or implied, regarding the condition of the Parking System (or any part thereof) or its suitability for the Port Authority’s proposed use.

### **Section 3.2. Parking System Operations.**

(a) *Use.* Except as otherwise specifically provided herein, the Port Authority shall, at all times during the Term, (i) be responsible for all aspects of the Parking System Operations, and (ii) maintain and operate the Parking System and cause the Parking System Operations to be performed in accordance with the provisions of this Agreement, the Operating Standards, and applicable Law, as a First-Class Parking System operating in a commercially reasonable manner so as to produce revenues that are reasonably expected to be sufficient to pay for the Additional Note Payments. The Port Authority's obligations hereunder are subject to having Parking Revenues sufficient to pay the cost of Parking System Operations, debt service on the Parking Bonds and amounts payable under the Note. The Port Authority shall, except as otherwise provided under Section 7.1(e), at all times during the Term, cause the Parking System to be exclusively used as controlled access parking garages, controlled access parking lots, and Metered Parking Spaces for use by members of the public, except that the Port Authority shall not be obligated to conduct Parking System Operations (A) during any period of time during which the City has suspended Parking System Operations with respect to such Parking Spaces including any suspension resulting from a Temporary Closure, Identified Events or Global Events, (B) as specifically permitted under this Agreement, (C) as required by applicable Law, (D) as necessary to comply with any other requirement of this Agreement (including closures related to the performance of capital improvements or maintenance or repair activities as required by the Operating Standards), or (E) as necessary for temporary closures required to address emergencies, public safety, temporary events or closures undertaken to maintain the Public Way, provided that each foregoing case of (A) through (E) shall only relieve the Port Authority's obligations with respect to the portion of the Parking System to the extent and period affected thereby; and provided, further that nothing in this Agreement or the Operating Standards shall require the Port Authority to operate each separate Parking Facility leased hereunder for the full Term hereof, so long as the Parking System as a whole produces revenues sufficient to pay as much of the Additional Note Payments as reasonably possible.

(b) *Costs and Expenses.* Except as otherwise specifically provided herein, the Port Authority shall, at all times during the Term, pay or cause to be paid, including by requisition from the Trustee under the Indenture all costs and expenses relating to the Parking System Operations as and when the same are due and payable. Except for the Bond Proceeds Amount and any cost of issuance proceeds from the Parking Bonds available on the Closing, all expenses and liabilities arising out of Parking System Operations shall be satisfied by the Parking Revenue in accordance with the terms of the Indenture. With the exception of any remedial payments or damages associated with a Port Authority Default or City Default, any provision herein requiring the payment of any cost or expense associated with the Parking System Operations, including compliance with the Operating Standards, shall be subject to the receipt of sufficient Parking Revenue and availability of that Parking Revenue to pay the applicable costs and expenses pursuant to the term of the Indenture.

(c) *Assumed Liabilities.* The Port Authority agrees to assume and discharge or perform when due, all debts, liabilities and obligations whatsoever relating to the Parking System or the Parking System Operations that occur, arise out of or relate to, or are based on facts or actions occurring, during the Term, but only to the extent such debts, liabilities or obligations do not arise from or relate to any breach by the City of any covenant, representation or warranty set

forth in this Agreement (collectively, the “Assumed Liabilities”); provided, however, that the Assumed Liabilities shall not include, and the City shall perform or cause to be performed and discharge or cause to be discharged as and when due, any debts, liabilities and obligations (i) with respect to the City's obligations under this Agreement, (ii) arising out of the Parking System or the Parking System Operations (including with respect to any Parking System Contracts) prior to the Time of Closing or, with respect to assets (or the operation thereof) added to the Parking System after the Time of Closing, prior to the time those assets were added to the Parking System, (iii) caused or resulting from an employee of the City that is hired by an Operator, Asset Manager, or the Port Authority, prior to the date of hire; (iv) that is financed by or secured by a lien on the Parking Revenue created by the City; provided, that the City may Transfer its interest in the Available Revenues and its residual interest in the Parking System in accordance with Section 17.2; (v) under any Environmental Law and related to (1) the ownership, operation or condition of the Parking System prior to the Time of Closing or, with respect to assets (or the operation thereof) added to the Parking System after the Time of Closing, prior to the time those assets were added to the Parking System, (2) any Hazardous Substance or other contaminant that was present or released on or migrated or escaped from the Parking System or its subsurface or otherwise existed prior to the Time of Closing or, with respect to assets (or the operation thereof) added to the Parking System after the Time of Closing, prior to the time those assets were added to the Parking System, and including (A) the abatement or removal of any asbestos present at the Time of Closing from the Parking System as required by any Environmental Law in connection with the repair, maintenance or construction activities permitted or required to be performed under this Agreement and (B) any known or unknown environmental conditions relating to the Parking System or its subsurface that existed prior to the Time of Closing or, with respect to assets (or the operation thereof) added to the Parking System after the Time of Closing, prior to the time those assets were added to the Parking System, the manifestation of which occurs following the Time of Closing or the date of such addition, which environmental obligations the City shall perform and discharge when due; (vi) arising from the City's termination of any Parking System Contracts or other agreements to which the City is a party and that relate to the use and operations of the Parking System; and (vii) arising from the City's operation of Excluded Off-Street Parking Facilities (collectively, the “Excluded Liabilities”). In the event that the City fails to pay or satisfy any debt, liability, or obligation related to an Excluded Liability (except for debts, liabilities or obligations described in Section 3.2(c)(vii) that do not create a lien against the Port Authority or any portion of the Parking System), that adversely impacts the Parking System, the Port Authority may, after giving Thirty (30) Days' prior notice to the City (which notice shall identify the Excluded Liability, and the calculation of any amount claimed in connection with the Excluded Liability) pay or satisfy any such debt, liability, or obligation on behalf of the City, and deduct such payment from the Available Revenues; provided, however, that if the City disputes the occurrence or calculation of any said Excluded Liability within Thirty (30) days of receiving notice thereof, the Port Authority shall not be required to make any payment for a period of Thirty (30) days and thereafter shall not deduct any amount from the amount payable under the Note and the dispute shall be subject to the dispute resolution procedure set forth in Article 19.

(d) *Right of Entry and Access to the Public Way.* Subject to Section 3.20, the City hereby grants to the Port Authority and its Representatives a license to enter upon, in, under, over and across the Public Way, only to the extent and at such times as shall be necessary or desirable for the Port Authority or its Representatives (including the Operator) to access the Parking System in order to conduct Parking System Operations, including operating, maintaining, inspecting,

constructing, repairing and managing the Parking System and all supporting structures and appurtenances thereto and interconnecting the same to any electric utility, telephonic or other communication lines, collecting Parking Revenue, and installing monitoring or observation technology or equipment reasonably necessary for Parking System Operations; provided, however, to the extent the Port Authority installs any cameras on or within the Parking System, the equipment must be compatible with the then-existing software utilized by the City and made available to be monitored by the Cincinnati Police Department for legitimate public safety purposes. To the extent the City's upgrades to such software are incompatible with the existing Parking System cameras, the Port Authority may install new compatible cameras funded with Available Revenues.

(i) The rights granted to the Port Authority under this Section 3.2(d) do not create a priority in favor of the Port Authority over any other user of the Public Way and are subject to the Operating Standards and all provisions of Law, including applicable City permit requirements, relating to the conduct of a private business or franchise in that part of the Public Way that is part of an actual Parking Space in the Public Way.

(ii) The Port Authority will not be responsible for the installation, removal, and repair of signage not relating to the Parking System (such as signs regarding no standing/stopping, bus/taxi zones, traffic control, etc.)

(iii) Notwithstanding the foregoing, the Port Authority acknowledges that it may not: (A) use the Public Way to operate transit vehicles unless Approved by the City, which Approval may be withheld in the City's reasonable discretion, (B) grant to any third-party (other than the Asset Manager or Operator in their capacities as Representatives of the Port Authority) an extension of this license right granted pursuant to this Section 3.2(d), without prior Approval of the City, (C) in the event that any of the Parking System Operations requires material obstruction or interference to the Public Way as reasonably determined by the Port Authority or its Representatives, undertake such Parking System Operations without the prior Approval of the City, (D) erect any signs in the Public Way for single spaced meters unless otherwise authorized by the City in writing; or (E) design, install, removal or repair any signage in the Public Way unless it has been reviewed and approved by DOTE, or any other agency of the City having jurisdiction over the area related to such sign design, installation, removal and/or repair.

(e) *Issuance of Parking Tickets, Enforcement, and Adjudication.*

(i) With the exception of the Reserved Enforcement Powers, the Port Authority (through the Enforcement Operator) and the City's designated law enforcement or parking enforcement officers shall have the exclusive right and responsibility to administer Parking Enforcement, in accordance with the Enforcement Policies and Procedures, this Agreement and applicable Law. The Port Authority shall establish, maintain, and undertake the Enforcement Policies and Procedures consistent with applicable Law, the Operating Standards and this Agreement. The City will cooperate with the Port Authority in developing the Enforcement Policies and Procedures, and Port Authority will consult with the City in developing the Enforcement

Policies and Procedures; provided, that any Enforcement Policies and Procedures applicable to City employees are subject to Approval by the City.

(ii) Until the termination of the Parking Adjudication Agreement, the County shall remain responsible for the adjudication related to the Parking Enforcement in accordance with the Parking Adjudication Agreement. Upon Closing, the Parking Adjudication Agreement will continue in full force and effect until earlier termination or modification, provided, however, that the Port Authority shall be responsible for all costs in connection therewith and all revenue arising thereunder shall become the property of the Port Authority.

(iii) Upon the termination of the Parking Adjudication Agreement, the Port Authority shall engage either the City, the County or an impartial third party (excluding the Asset Manager or the Operator) to manage the adjudication related to the Parking Enforcement. In the event that the Port Authority engages the City for purposes of parking adjudication, the Port Authority shall reimburse the City, to the extent they are provided, the reasonable costs of: (A) any work by City employees for the benefit of the Port Authority after the Closing Date; or (B) support relating to hearings in connection with parking adjudication. The Port Authority shall have the exclusive right to collect and retain all Parking Violation Revenue during the Term in accordance with Enforcement Policies and Procedures, regardless of whether such Parking Violation Revenue resulted from Parking Enforcement conducted by the Enforcement Operator or the City's designated law enforcement or parking enforcement officers before or after the beginning of the Term.

(iv) The Port Authority may delegate its duties under this Section 3.2(e) to a Contractor that may be the Operator; provided however, any Contractor selected pursuant to this Section 3.2(e) shall be subject to the same restrictions and approval requirements of the Operator in Section 3.3.

(v) The City, through its law enforcement and parking enforcement officers, retains the right to perform Parking Enforcement. The City retains the sole right and responsibility to provide all other enforcement of parking rules and violations not listed in the Enforcement Policies and Procedures set forth on Schedule 3. Parking Enforcement performed by the Port Authority through the Enforcement Operator pursuant to this Section 3.2(e) shall have the same legal efficacy as Parking Enforcement performed by the City or its Representatives.

(f) *Improvements in Operations.* The Port Authority may agree to provide as part of the lease and franchise additional transportation services which may include the following: parking violation processing services, parking violation collection services, parking enforcement software and equipment including handheld enforcement units and Mobile License Plate Recognition Systems (MLPRS), vehicle detection and directed enforcement technology, and additional technologies that further contribute to the maximization of the overall value of the Parking System such as vehicle detection systems; dynamic messaging and way-finding systems; and directed enforcement technologies. The Port Authority will make program recommendations and work in tandem with the City to maximize the total value of the Parking System through the



deployment of value-enhancing technologies, products, and services, in a manner consistent with the City's overall policy objectives.

(g) *Community Solicitation.* In addition to any community outreach and polling conducted in connection with the detailed plan for transition required under Section 2.5(a), the Port Authority and Initial On-Street Operator hereby covenant and agree to solicit opinions and suggestions with regard to the anticipated changes to Parking System Operations, Parking Fees, and technology from citizens, business owners, and community leaders within the City of Cincinnati.

### **Section 3.3. Operator Engagement; Asset Manager.**

(a) The Parking System Operations shall, at all times during the Term, be under the direction and supervision of an Asset Manager who shall supervise and manage an On-Street Operator and Off-Street Operator with the expertise, qualifications, experience, competence, skills and know-how to perform the Parking System Operations in accordance with this Agreement who may be (but is not required to be) the Port Authority itself. The Operator on the first Day of the Term and thereafter shall be the Initial On-Street Operator and the Initial Off-Street Operator, unless the Port Authority has designated another Person to be the Operator and such Person is qualified in accordance with the factors set forth in Section 3.3(b). The Port Authority shall not engage or appoint a replacement Asset Manager unless such replacement Asset Manager is qualified in accordance with the factors set forth in Section 3.3(b). For the avoidance of doubt, a Change in Control of an Operator or Asset Manager shall be deemed to be the appointment of a replacement Operator or Asset Manager. The Operator shall at all times be subject to the direction and supervision of the Port Authority through the Asset Manager and, except as otherwise provided herein, any delegation to an Operator or Asset Manager shall not relieve the Port Authority of any obligations, duties or liability hereunder. The Port Authority shall cause the Asset Manager to immediately notify the City and Port Authority upon the termination or resignation of an Operator. Any Asset Management Agreement or Operating Agreement between the Asset Manager and any Operator, or the Port Authority and the Asset Manager, shall by its terms terminate without penalty at the election of the City, Operator, or Asset Manager upon Three (3) Business Days notice to such Operator, Asset Manager or the City, as applicable, upon the termination of this Agreement. Except as otherwise provided herein, neither Operator nor Asset Manager shall have an interest in or rights under this Agreement or the Parking System unless the Operator or Asset Manager is the Port Authority itself.

(b) *Qualification.* The Port Authority may select a replacement Operator or Asset Manager based on the following factors: (i) the ability of the proposed Asset Manager or Operator to respectively manage or operate the Parking System in a manner that complies with the Operating Standards and will result in the respective management or operation of the Parking System in accordance with the purposes of the City; (ii) the financial strength and integrity of the proposed Asset Manager or Operator, its direct or indirect beneficial owners and each of their respective Affiliates; (iii) the capitalization of the proposed Asset Manager or Operator; (iv) the experience of the proposed Asset Manager or Operator in respectively managing or operating on street metered parking systems, surface lots and parking garages, and performing other projects; (v) the background and reputation of the proposed Asset Manager or Operator, its direct or indirect beneficial owners, each of their respective officers,

directors and employees and each of their respective Affiliates (including the absence of criminal, civil or regulatory claims or actions against any such Person and the quality of any such Person's past or present performance on other projects); (vi) the proposed terms of the engagement of the Asset Manager or Operator; and (vii) whether the proposed Asset Manager or Operator, its direct or indirect beneficial owners and each of their respective Affiliates is prohibited by the debarred contractor list maintained by the City. The Port Authority may select any asset manager or operator; provided, however, each such asset manager or operator continues to meet the minimum qualifications set forth herein as of the date immediately preceding its appointment as the replacement Asset Manager or Operator.

### **Section 3.4. Authorizations; Qualifications.**

(a) *Compliance.* The Port Authority shall obtain, comply with, promptly renew and maintain in good standing all Authorizations; provided, however, that if the Port Authority is, at any time during the Term, required to obtain any Authorization from a Governmental Authority (excluding the City) that the City was not required to obtain in connection with its operation of the Parking System prior to the Time of Closing, the City shall use its reasonable efforts to assist the Port Authority in obtaining such Authorization at no cost to the City. Nothing in this Agreement, including Section 2.1, shall be deemed to waive or modify any Authorization required to be obtained by the Port Authority or any other Person in connection with the Parking System, the Parking System Operations or any activities generating Parking Revenue.

(b) *Qualifications.* The Port Authority shall, at all times during the Term, maintain in full force and effect its existence and all qualifications necessary to carry on its business pertaining to the Parking System Operations, including all rights, franchises, licenses, privileges and qualifications required in connection with the Parking System Operations.

### **Section 3.5. No Encumbrances.**

(a) *By the Port Authority.* The Port Authority shall not do any act or thing that will create any Encumbrance (other than a Permitted Port Authority Encumbrance) against the Parking System and shall promptly remove any Encumbrance (other than a Permitted Port Authority Encumbrance) against the Parking System, unless the Encumbrance came into existence as a result of an act of or omission by the City or a Person claiming through it which in turn was not caused by an act or omission of the Port Authority. The Port Authority shall not be deemed to be in default hereunder if the Port Authority continuously, diligently and in good faith contests any such Encumbrance, or the validity thereof (or causes such contest), by appropriate legal proceedings that shall operate to prevent the foreclosure of any such Encumbrance; provided that the Port Authority has given advance notification to the City that it is the intent of the Port Authority to contest the validity or collection thereof or cause such contest.

(b) *By the City.* The City shall not do any act or thing that will create any Encumbrance (other than a Permitted City Encumbrance) against the Parking System and shall promptly remove any Encumbrance (other than a Permitted City Encumbrance) against the Parking System that came into existence as a result of an act of or omission by the City or a Person claiming through the City. The City shall not be deemed to be in default hereunder if the City continuously, diligently and in good faith contests any such Encumbrance, or the validity

thereof (or causes such contest), by appropriate legal proceedings that shall operate to prevent the foreclosure of any such Encumbrance; provided that the City has given advance notification to the Port Authority that it is the intent of the City to contest the validity or collection thereof or cause such contest.

(c) *Removal.* Each Party, if requested by the other Party and at such other Party's costs and expense, shall use its reasonable efforts to assist such other Party in attempting to remove any Encumbrance that has come into existence as a result of an act of or omission by such other Party; provided that nothing herein shall obligate the City to waive, modify or otherwise limit or affect the enforcement by the City of any applicable Law with respect to the Parking System or any activities generating Parking Revenue.

**Section 3.6. Tax Exempt Parking Bonds.** Notwithstanding anything herein to the contrary the City and the Port Authority agree not to take any action that would have the effect of causing interest on any of the Tax Exempt Parking Bonds to be included in gross income for federal income tax purposes.

**Section 3.7. Rights of the City to Access and Perform Work on the Parking System.**

(a) *Reservation of Rights.* The City reserves (for itself and any of its Representatives) and shall, at all times during the Term, have the right to enter the Parking Facilities and have access to the Parking Spaces in response to any event, circumstance or purpose (x) described in Section 3.7(a)(i) and Section 3.7(a)(ii), such right to be exercised at all reasonable times upon reasonable prior notice to the Port Authority, (y) described in Section 3.7(a)(iii), such right to be exercised at all reasonable times upon reasonable prior notice to the Port Authority if practicable under the circumstances, and (z) described in Section 3.7(a)(iv) through (vii) (inclusive), such right to be exercised at all reasonable times with the City to request, with reasonable prior notice, the Port Authority's consent to the exercise of such right, such consent not to be unreasonably withheld, conditioned or delayed:

(i) to inspect the Parking System or determine whether or not the Port Authority is in compliance with its obligations under this Agreement or applicable Law pursuant to Section 8.3;

(ii) if a Port Authority Default then exists, to make any necessary repairs to the Parking System and perform any work therein pursuant to Section 16.1(b)(iii);

(iii) in the event of an Emergency or danger that threatens to cause injury to individuals (or damage to property) and if the Port Authority is not then taking all necessary steps to rectify or deal with said Emergency or danger, to take actions as may be reasonably necessary to rectify such Emergency or danger;

(iv) at its own cost and expense, to design, construct, operate, service, manage, maintain, repair, rehabilitate or replace any Affected Property owned or controlled by the City that is located within the boundaries of the Parking System, including utilities and storage and maintenance facilities located within portions of the Affected Property that is located within the boundaries of the Parking System; provided that for any such Affected Property located within the Parking Facilities, the City shall obtain the Port Authority's

consent prior to taking any action pursuant to this Section 3.7(a)(iv), which consent shall not be unreasonably withheld, conditioned or delayed;

(v) at its own cost and expense with respect to non-Parking System assets, to (A) install, design, manage, maintain, repair and rehabilitate any existing or future safety measures (whether provided by the City or third parties at the City's instruction) in, on, under, across, over or through the Parking System (including other safety equipment), (B) grant easements and rights on, over, under or within the Parking System for the benefit of suppliers or owners of any such measures, and (C) use of the Parking System in connection with any such installation, design, management, maintenance, repair or rehabilitation (provided that notwithstanding the foregoing clauses (A), (B) and (C), the Port Authority shall have the right, at all times during the Term, to install, design, manage, maintain, repair and rehabilitate safety measures for its own account (and not for lease, resale or service to third parties) to the extent that the said safety measures are necessary for the Parking System Operations), and in all such assistances the City shall not materially interfere with Parking System Operations, provided that for any such non-parking asset located within the Parking Facilities, the City shall obtain the Port Authority's consent prior to taking any action pursuant to this Section 3.7(a)(v), which consent shall not be unreasonably withheld; and

(vi) at its own cost, to (A) install, design, manage, maintain, repair and replace and relocate any existing or future utilities or similar services (whether provided by the City or third parties at the City's instruction) in, on, under, across, over or through the Parking System (including, water and sewer lines, gas and electric lines, fiber optics cable, other communications, and other equipment), and (B) grant easements and rights on, over, under or within the Parking System for the benefit of suppliers or owners of any such utilities or services (provided that notwithstanding the foregoing clauses (A) and (B), the Port Authority shall have the right, at all times during the Term, to install, design, manage, maintain, repair and rehabilitate utilities or other services for its own account (and not for lease, resale or service to third parties) to the extent that the said utilities or services are necessary for the Parking System Operations); and

(vii) at its own cost and expense (except as otherwise expressly provided in this Agreement) and solely in accordance with the terms hereof, do any other act or thing that the City may be obligated to do or have a right to do under this Agreement; provided, however, that the City shall not be obligated to make any payments to the Port Authority for such access and the City shall minimize interference with the Parking System Operations and use commercially reasonable efforts not to impair the value of the Parking System in connection with any entry pursuant to this Section 3.7(a).

(b) *Access Rights.* The City and any of its Representatives, during the progress of any work referred to in this Section 3.7, shall have necessary easement and access rights and to the extent that the City undertakes work or repairs under this Section 3.7 or any other provision of this Agreement, such work or repairs shall be commenced and diligently completed in a good and workmanlike manner, in accordance with any applicable Operating Standards and in such a manner as not to unreasonably interfere with the conduct of business in or use of such space.

(c) *Effect of Reservation.* Any reservation of a right by the City and any of its Representatives to enter the Parking Spaces and to make or perform any repairs, alterations, restoration or other work in, to, above, or about the Parking System which is the Port Authority's obligation pursuant to this Agreement, shall not be deemed to (i) impose any obligation on the City to do so, and (ii) render the City liable to the Port Authority or any other Person for the failure to do so. After exercising any right under this Section 3.7, the City shall restore affected portions of the Parking System to substantially the same condition those portions were in prior to the City's exercise of its rights. To the extent the City installs any cameras in the Parking System for public safety purposes, the City shall not have any obligation or duty to make any pictures or video feeds available to be monitored by the Port Authority, Asset Manager or Operator. Nothing in this Agreement shall impose any duty upon the part of the City to do any work required to be performed by the Port Authority hereunder and performance of any such work by the City and any of its Representatives shall not constitute a waiver of the Port Authority's default in failing to perform the same.

**Section 3.8. Payment of Taxes.** Except as otherwise provided in this Section 3.8, the Port Authority shall pay when due all Taxes payable during the Term in respect of the use or conduct of business with respect to the Parking System, including ad valorem real property taxes on the Parking Facilities. The City reserves the right, without being obligated to do so, to pay the amount of any such Taxes not timely paid and which are not being contested by the Port Authority, and the amount so paid by the City shall be deemed additional consideration hereunder, due and payable by the Port Authority within Twenty (20) Business Days after written demand by the City. The Port Authority shall have the right to contest in good faith the validity or amount of any Taxes which it is responsible to pay under this Section 3.8 and the City hereby agrees to cooperate with the Port Authority's exercise of such right, provided that (i) the Port Authority has given prior notice to the City of each such contest, (ii) no contest by the Port Authority may involve a reasonable possibility of forfeiture or sale of the Parking System, and (iii) upon the final determination of any contest by the Port Authority, if the Port Authority has not already done so, the Port Authority shall pay any amount found to be due, together with any costs, penalties and interest. Any sales or usage Taxes imposed on and attributable only to Parking Fees charged in connection with the use of the Parking System may be, but need not be, passed through by the Port Authority to the users otherwise paying Parking Fees for the use of the Parking System. For the avoidance of doubt, such pass through amounts are not considered Parking Fees for the purposes of determining compliance with the Applicable Metered Parking Fee Cap or Applicable Off-Street Parking Fee Cap limitations.

### **Section 3.9. Utilities.**

(a) The Port Authority shall pay when due all charges (including all applicable Taxes and fees) for gas, electricity, light, heat, power, telephone, water, sewer, and all other utilities and services used in the Parking System Operations or supplied to the Parking System during the Term. The City does not warrant that any utility services will be free from interruptions caused by war, insurrection, civil commotion, riots, acts of God, government action, terrorism, repairs, renewals, improvements, alterations, strikes, lockouts, picketing, whether legal or illegal, accidents, inability to obtain fuel or supplies or any other causes, and any such interruption of utility services in and of itself shall never be deemed an eviction or disturbance of the Port Authority's use of the Parking System or any part thereof, or render the

City liable to the Port Authority for damages or, unless the same constitutes a Delay Event, relieve the Port Authority from performance of the Port Authority's obligations under this Agreement.

(b) *Utility Coordination.* The Port Authority shall be responsible for coordinating or ensuring the coordination of all Parking System Operations with utilities and Persons having service lines, pipelines, transmission lines and other equipment, cables, systems and other apparatus in, on, under, over or adjacent to the Parking System. The Port Authority shall cause provision to be made for the removal or temporary or permanent relocation and restoration of utilities and other services and any lines, equipment, cables, systems and other apparatus that intersect, interfere with, interface with or otherwise affect the Parking System Operations and shall arrange for temporary rights of entry and access to utilities and other services to be made available that are necessary in connection with the Parking System Operations or as may exist under this Agreement or applicable Law; provided that the City shall cooperate and use best efforts to minimize impact of work performed by the City with the Port Authority with respect to the Port Authority's obligations under this Section 3.9(b).

(c) *Affected Property Coordination.* The Port Authority shall be responsible for coordinating or ensuring the coordination of all Parking System Operations with Affected Property. The Port Authority shall arrange for temporary right-of-entry and access to the property of all relevant Governmental Authorities or other Persons as may be necessary in connection with the Parking System Operations or as may exist under this Agreement or applicable Law. The City shall cooperate with the Port Authority with respect to the Port Authority's obligations under this Section 3.9(c).

### **Section 3.10. Notices of Defaults and Claims.**

(a) *Notice by the Port Authority.* The Port Authority shall promptly give notice to the City (i) if the Port Authority becomes aware that a Port Authority Default has occurred under this Agreement (provided, however, that the failure to give such notice shall not constitute an independent Port Authority Default) and (ii) of all material claims, proceedings, disputes (including labor disputes) or litigation in respect of the Port Authority pertaining to the Parking System, the Parking System Operations or the City (whether or not such claim, proceeding or litigation is covered by insurance) of which the Port Authority is aware (other than as a result of a notice to the Port Authority from the City). The Port Authority shall provide the City with all reasonable information requested by it from time to time concerning the status of such claims, proceedings or litigation.

(b) *Notice by the City.* The City shall promptly give notice to the Port Authority (i) if the City becomes aware that a City Default has occurred under this Agreement (provided, however, that failure to give such notice shall not constitute an independent City Default) and (ii) of all material claims, proceedings, disputes (including labor disputes) or litigation in respect of the City pertaining to the Parking System, the Parking System Operations or the Port Authority (whether or not such claim, proceeding or litigation is covered by insurance) of which the City is aware (other than as a result of a notice to the City from the Port Authority). The City shall provide the Port Authority with all reasonable information requested by it from time to time concerning the status of such claims, proceedings or litigation.

**Section 3.11. Assignment of Operating Agreements and Plans.** Subject to the assignment in the Indenture and any mortgage securing the Parking Bonds, upon prior notice to the Port Authority from City, the Port Authority shall conditionally collaterally assign, to the extent reasonably practicable and subject to the terms and conditions herein, to the City, in form and substance satisfactory to the City, all of the right, title and interest of the Port Authority in, to and under all or any of the Operating Agreements and all present and future specifications, plans, drawings, and documentation in relation to the Parking System Operations except to the extent any of the foregoing involve proprietary information (collectively, the “Operating Agreements and Plans”) as collateral security to the City for the observance and performance by the Port Authority of its covenants and obligations under this Agreement. The Port Authority covenants that it shall cause all of the right, title and interest of the Port Authority in, to and under all Operating Agreements and Plans entered into or created after the Time of Closing to be collaterally assignable to the City for the purposes of this Section 3.11. The City also acknowledges that the Operating Agreements and Plans will also be assigned as a security to the Trustee and that each of the City and such Trustee shall be entitled to use the Operating Agreements and Plans in enforcing their respective security interests. Without limiting the generality of the foregoing, but subject to the City’s assumption of future liabilities under the Operating Agreements and Plans and to the provisions of Article 18, the City shall be entitled to use the Operating Agreements and Plans if the City elects to use the Operating Agreements and Plans to remedy a Port Authority Default under this Agreement. The Port Authority shall promptly deliver to the City, at the sole cost and expense of the Port Authority, forthwith after completion or execution and delivery, a copy of each item of the Operating Agreements and Plans. The Port Authority agrees that (i) it shall bear all risks associated with the use of the Operating Agreements and Plans, and (ii) under no circumstances will the City be liable in any way with respect to the Port Authority’s use of, or any loss or damage of any kind incurred as a result of the use of the Operating Agreements and Plan.

**Section 3.12. City Use of Information and Records.** Subject to Section 8.2(b), the City shall be entitled to access to all reasonable records, electronic data and other information collected and retained by the Port Authority with respect to the Parking System Operations to the extent needed by the City in its reasonable discretion. The Port Authority shall promptly furnish or cause such data, along with such other data relating to the use of the Parking System, to be available to the City as reasonably requested by the City.

**Section 3.13. Parking System.** The Port Authority shall be required to maintain and operate the Parking System in accordance with the Operating Standards in all material respects. The Port Authority will cause the Asset Manager to engage an Engineering Firm every four (4) years during the Term to inspect the Parking Facilities and any aspect of the On-Street Parking System identified by the City or the Port Authority as needing repairs and to prepare and deliver to the Port Authority a “Condition Assessment Report” designed to identify, and allow the Port Authority to promptly repair or replace, any parts of the Parking Facilities that are defective or inoperative.

**Section 3.14. Restricted Bond Actions.** In accordance and consistent with its obligations arising under the Indenture, the Port Authority shall not refinance or refund all or a portion of the Parking Bonds or issue additional Parking Bonds under the Indenture if such action increases the debt service on the Parking Bonds during the Term hereof or extends the

final maturity of the Parking Bonds without the approval of Port Authority, after the unanimous approval of the Advisory Committee.

**Section 3.15. Naming Rights and Commercial Advertisements and Activities.**

(a) The Port Authority shall consult with the City with regard to the sale or lease of any naming rights for the Parking System, or any portion of the Parking System, to any third party.

(b) Subject to applicable Law, the Port Authority may provide for advertisements at the Parking Garages and Parking Lots, all of which must at a minimum conform to the requirements of the City's Advertising Policy set forth in Schedule 14.

**Section 3.16. Reversion of Parking System.** On the Reversion Date, the Port Authority shall surrender and deliver to the City all of its rights, title and interest in the Parking System (including all improvements to the Parking System, all amounts on deposit in the Capital Reserve Fund and any Debt Service Reserve Fund, Operating Reserve Fund or Surplus Fund related to the Parking Bonds, and all tangible and intangible personal property of the Port Authority (including inventories)) that is included in the Parking System (including any property added to the Parking System after the Time of Closing), subject, however, as to any intellectual property included in the Parking System, to any restrictions or prohibitions to disclosure, transfer or sharing thereof and any other rights of third parties with respect thereto, all in accordance with the provisions of Section 16.3. The amounts in such Funds delivered to the City shall be reduced by the fair market value of the depreciated Parking System on the End Date, taking into consideration the amount of any Additional Note Payments forgiven by the City, provided that not less than [\$15,000,000] if available in the Operating Reserve Fund and the Capital Reserve Fund shall be delivered to the City for use in connection with future operations of the Parking System. With respect to any third party software utilized by the Port Authority, Asset Manager, or Operator in the operation of the Parking System at the time of the Reversion Date, the Port Authority will cooperate with the City to enable the City to obtain appropriate license rights and terms to the City for continued operation following reversion.

**Section 3.17. Police, Fire, Emergency, and Public Safety Access Rights.** Notwithstanding any other provision of this Agreement, at all times during the Term and without notice or compensation to the Port Authority (i) any police, fire, and emergency services and any other security or emergency personnel retained by or on behalf of the City while on duty and acting in their official capacities shall have access, as required by such services or personnel in connection with those official capacities, to the Parking System; and (ii) the City shall have access to the Parking System as necessary for the protection of public safety; and (iii) any Governmental Authority with jurisdiction over the Parking System shall have access to the Parking System as necessary for emergency management and homeland security purposes, including the prevention of or response to a public safety emergency (so long as any exercise of such jurisdiction, to the extent effected by the City, shall be strictly in accordance with the terms hereof).



### **Section 3.18. Excluded Off-Street Parking Facilities; Future Developments**

(a) *Excluded Off-Street Parking Facilities.* The City reserves the right to operate, maintain, and derive all revenue generated from the Excluded Off-Street Parking Facilities. The Excluded Off-Street Parking Facilities are not subject to the terms of this Agreement nor included within the Parking System, provided, however, that the City hereby covenants and agrees to establish fees ("Excluded Off-Street Parking Facilities Fees") as consideration for the privilege of parking a motor vehicle at the Excluded Off-Street Parking Facilities that are within Ten Percent (10%) of the comparable Off-Street Parking Fee for comparable parking garages and parking lots within the Off-Street Parking System; provided, however that the Excluded Off-Street Parking Facilities Fees shall not apply to Exempt Excluded Off-Street Parking Facilities.

(b) *Future Developments.* The City or its designee reserves the right during the Term to build, finance, develop, construct and operate or cause to be built, financed, developed or constructed and operated additional parking garages, parking lots and parking facilities which shall be considered part of the Excluded Off-Street Parking Facilities and subject only to the Restrictive Covenant, Excluded Off-Street Parking Facilities Fees and the Additional Demand Test; provided, however, to the extent the future Excluded Off-Street Parking Facilities are not located within the area delineated on Schedule 6, then they shall be considered part of the Exempt Excluded Off-Street Parking Facilities and not subject to the terms of this Agreement. The City may elect to provide the Port Authority the option to build, finance, develop, construct and operate a future Off-Street Facility and, if requested by the City, such future Off-Street Facility will be included within the Off-Street Parking System.

(i) If the Port Authority, within One Hundred Twenty (120) Days of notification by the City, elects to accept the obligation to perform such work in accordance with the plans and specifications set forth by the City, then the Port Authority may request contributions from the City and if sufficient funds are deemed by the Port Authority to be available, shall bear the cost of such work and construction.

(ii) If the Port Authority, within such One Hundred Twenty (120) Day period, fails to provide a determination to the City or elects not to accept the obligation to perform such work in accordance with the plans and specifications set forth by the City, such future Off-Street Facility shall be constructed by the City.

**Section 3.19. Negotiations with Governmental Authorities.** Prior to entering into any agreement with any Governmental Authority (excluding the City) in connection with the Parking System Operations ("Government Agreement") that extends or could extend beyond the Term or pursuant to which the City may incur any liability whatsoever thereunder, the Port Authority shall submit such Government Agreement for Approval by the City (which Approval may be withheld, delayed or otherwise conditioned in the discretion of the City) prior to the execution and delivery thereof (except with respect to Government Agreements the absence of which may cause the Port Authority or Parking System Operations to fail to be in compliance with applicable Law or this Agreement, in which case the Port Authority may enter into such Government Agreement upon notice to the City).

**Section 3.20. Administration of the Public Way.** The Port Authority acknowledges and accepts that the City has exclusive control over the management, regulation, and administration of the Public Way as a Reserved Enforcement Power and under its powers of local self-government granted by Section 3 and Section 7 of Article XVIII of the Ohio Constitution. The rights granted to the Port Authority under this Agreement do not create a priority in favor of the Port Authority over any other user of the Public Way and are subject to the Operating Standards and the provisions of Law, including Section 11.8 of this Agreement. In consideration of its exclusive control, management, regulation, and administration of the Public Way, the City hereby acknowledges its obligation to maintain open access of the Public Way and to maintain the operation, repair, and maintenance of the Public Way in the ordinary course in a manner consistent with past practice (ordinary wear and tear excepted).

**Section 3.21. Air Rights.** The City hereby reserves, and is not demising or leasing to Port Authority, the right and easement to construct or forever maintain the air rights with respect to the Parking Facilities and other property within the Parking System, including (i) any and all space located above the surface grade of any such property upon which there are no improvements, as such surface grade exists as of the date of this Agreement, and (ii) any and all space located above any improvements within the Parking System as of the date hereof; provided that in no event shall the City be permitted to exercise rights under this Section 3.21 in a way that would materially interfere with the Parking System or Parking System Operations. The Port Authority shall have the right to review and approve (not to be unreasonably withheld), in advance, all plans, plats, lots splits and similar engineering required for the creation of any air rights parcels with respect to the Parking Facilities. All easements and agreements necessary for support, access, shared utilities, common walls and the like shall also be subject to Port Authority's advance review and approval (not to be unreasonably withheld). The City's grant of air rights shall not alter or augment the rights, obligations and duties of Port Authority with respect to Parking Facilities pursuant to this Agreement.

**Section 3.22. Office in the City.** The Port Authority, Asset Manager and Operator shall maintain a business office in the City of Cincinnati as each of those respective parties determine is reasonably sufficient for the management and operation of the Parking System and the provision of customer service. Any such office may be shared with one or more other entities.

**Section 3.23. Restrictive Covenant of City.** The City hereby covenants and agrees not to take any action or actions at any time during the Closing Period or Term that causes a Material Adverse Effect (the "Restrictive Covenant").

## **ARTICLE 4**

### **CAPITAL IMPROVEMENTS**

**Section 4.1. Port Authority Responsibility for Capital Improvements.** Subject to the availability of sufficient funds in the Capital Reserve Fund, the Port Authority shall be responsible for all capital improvements with respect to the Parking System required to be completed during the Term in accordance with the terms of this Agreement, including as required by the Operating Standards. The Port Authority acknowledges receipt of the 2009 ten-year Capital Improvement and Protection Plan report of Walker Parking Consultants. The Port

Authority shall cause the Asset Manager to engage an Engineering Firm on an annual basis to (i) assist with the Asset Manager's development of the Capital Plan for review and approval by the Port Authority and (ii) inspect capital improvements which were completed during the prior year and report to the Port Authority any defects, incomplete work or improvements that should have been completed pursuant to the Capital Plan but were not. The Port Authority shall complete any capital improvements set forth in Capital Plan adopted by the Port Authority within the time set forth therein.

**Section 4.2. Authorizations Related to Capital Improvements.** The Port Authority's obligation to perform the capital improvements to the Parking System set forth in the Capital Plan shall be subject to the issuance by the City of any and all Authorizations to be issued by the City as required by Applicable law and such Authorizations shall not be unreasonably withheld.

**Section 4.3. City Responsibility for Capital Improvements.**

(a) *Access.* The City shall be responsible for the maintenance, repair and rehabilitation of any existing or future Affected Property under the jurisdiction or control of the City that provide direct access to or is otherwise a part of any Parking Facility, any Parking Space therein or any Metered Parking Space in such a manner as to maintain access to and from any such Parking Facility, any Parking Space therein, or any Metered Parking Space and is reasonably comparable to that in existence as of the Bid Date and, in any event, to a standard not less than that observed by the City with respect to other similar property under its jurisdiction or control. In the event that the City is required to perform any maintenance, repair, or rehabilitation of Affected Property that is expected to substantially interfere with Parking System Operations, the City shall provide Fifteen (15) Days prior notice to the Port Authority, Asset Manager, and Operator.

(b) *Condition.* Without limiting the obligations of the City set forth in Section 4.3(a), the City shall be responsible for the maintenance, repair and rehabilitation of any existing or future Affected Property under the jurisdiction or control of the City in a manner sufficient to enable the Port Authority to operate the Parking System in compliance with the terms hereof, including the Operating Standards, and the City shall reasonably cooperate with the Port Authority and any Governmental Authority (excluding the City) in taking such actions (which may include the granting of access rights in favor of the Port Authority) with respect to such property as are necessary to enable the Port Authority to comply with its obligations under this Agreement, including the Operating Standards.

**Section 4.4. Metering Device Payment Options.** In accordance with Schedule 18, the City hereby approves the Port Authority's implementation (through its Operator) of electronic upgrades necessary to effectuate the processing of alternative methods of payment at the Metering Devices in order to permit the payment options that include (i) cash, (ii) debit/ATM cards and credit cards, and (iii) pay-by-phone options. The Port Authority shall be responsible for all costs associated with the electronic upgrades, including the cost of removing any old equipment, or attachments thereto, and repairing any damage caused by such removal.

**Section 4.5. Seventh Street Garage Replacement Plan.** The Parties acknowledge and agree that the Seventh Street Garage is in need of replacement. The demolition of the Seventh

Street Garage and construction of the Sycamore Garage are capital improvements to be undertaken by the Port Authority at the expense of the Port Authority in accordance with Section 5.3 but subject to (i) the availability of the proceeds of Parking Bonds and any other available revenues in accordance with the provisions of this Agreement, (ii) the ability of the Port Authority, or the City on behalf of the Port Authority, to obtain legal rights to the proposed site of the Sycamore Garage sufficient to permit the Port Authority to construct the Sycamore Garage in accordance with the Sycamore Garage Plans, (iii) the approval by the appropriate review bodies of the City of the Sycamore Garage Plans in substantially the form described herein, (iv) the availability and willingness of Messer Construction and Moody Nolan to complete the Sycamore Garage in substantially the form described in the Sycamore Garage Plans, and (v) any other conditions not within the control of the Port Authority which makes construction of the Sycamore Garage as currently contemplated not possible, as reasonably determined by the Port Authority.

## ARTICLE 5

### MODIFICATIONS

**Section 5.1. City Requests.** The City may, at any time during the Term, issue a City Request to the Port Authority. Upon receipt of a City Request and the Port Authority's approval of that City Request in its discretion, the Port Authority will perform the work required to implement such City Requests, provided that the City provides sufficient funds therefor (which may include in the City's sole discretion, an allocation of its Available Revenues) and the Port Authority has obtained (with the cooperation of the City) all relevant Authorizations from all relevant Governmental Authorities required for the implementation of the City Requests.

**Section 5.2. Port Authority Requests.** If the Port Authority wishes at any time during the Term to make a commercially reasonable change in the dimensions of any part of the Parking System, then, subject to Section 3.2(a), no Approval shall be required with respect to any of Port Authority's actions so long as such actions materially comply with applicable Operating Standards; but the Port Authority shall still give reasonable notice to the City of all such actions. The Port Authority shall be responsible for all amounts required to implement an Approved Port Authority Request out of Parking Revenues (and any Losses incurred in connection therewith).

**Section 5.3. Performance of Modifications.** Subject to the other provisions of this Article 5, the Port Authority shall ensure that approved City Requests and Approved Port Authority Requests are performed in a good and workmanlike manner and diligently complied with and implemented in such manner that the costs (in the case of City Requests only) and delays relating thereto are minimized.

## ARTICLE 6

### OPERATING STANDARDS

**Section 6.1. Compliance with Operating Standards.** The Port Authority shall, at all times during the Term, cause the Parking System Operations to comply with and implement the

Operating Standards in all material respects (including any changes or modifications to the Operating Standards pursuant to the terms of this Agreement). The Port Authority shall have in place Operating Plans (as defined and described in Schedule 2) that are reasonably designed to achieve compliance with the Operating Standards. Except as specifically set forth herein, the Port Authority shall perform all work required to comply with and implement the Operating Standards (including the capital improvements described therein) as part of the Parking System Operations and at its sole cost and expense to the extent of available Parking Revenues.

**Section 6.2. Proposed Operating Standards.** If the Port Authority, at its cost and expense, wishes to implement and use operating standards other than the Operating Standards, the Port Authority must provide notice of such proposed operating standards to the City. Any modification to the Operating Standards shall be pursuant to Section 20.3. The Port Authority's proposed operating standards must be accompanied by an explanation of the Port Authority's rationale for making its proposal and all relevant supporting information, certificates, reports, studies, investigations and other materials as are necessary to demonstrate that the Port Authority's proposed operating standards are reasonably designed to achieve the objectives of the applicable Operating Standards. The City may request any additional supporting information, certificates, reports, studies, investigations and other materials as are reasonably required by the City to determine if the Port Authority's proposed operating standards are reasonably designed to achieve the objectives of the applicable Operating Standards. Until the City provides its Approval for the implementation of the Port Authority's proposed operating standards, which Approval shall not be unreasonably withheld, the Port Authority shall not implement the proposed operating standards and shall implement and comply with the Operating Standards. The Port Authority's proposed operating standards shall be deemed incorporated into the Operating Standards upon Approval by the City in accordance with the terms hereof.

**Section 6.3. Proposed Modifications to Operating Standards and Operating Plans by the City.** If, during the Term, in the reasonable opinion of the City, a modification or change to the Operating Standards or Operating Plan (as defined and described in Schedule 2) is necessary or desirable, the City may propose such modification or change to the Port Authority for approval. The City's proposed modifications or changes must be accompanied by an explanation of the City's rationale for making its proposal and all relevant supporting information, certificates, reports, studies, investigations and other materials as are necessary to demonstrate that the City's proposed modifications or changes are reasonably designed to achieve the objectives of the applicable Operating Standards. The Port Authority may request any additional supporting information, certificates, reports, studies, investigations and other materials as are reasonably required by the Port Authority to determine if the City's proposed modification or change are reasonably designed to achieve the objectives of the applicable Operating Standards. The City's proposed modifications or changes will be incorporated into the Operating Standards and Operating Plans upon approval by the Port Authority of those modifications or changes in its discretion.

## ARTICLE 7

### METERED PARKING REVENUE, OFF-STREET PARKING FACILITY REVENUE AND PARKING VIOLATION REVENUES

#### Section 7.1. Parking Revenue.

(a) *Parking System Ordinances & Schedule of Parking Fees.* Upon passage of the Parking System Ordinances, the City will have approved and adopted the Schedule of Parking Fees. At or before the Time of Closing, the City shall place in effect the Schedule of Parking Fees. The City acknowledges that the Port Authority has depended upon representations made by the City regarding the Schedule of Parking Fees now and in the future in its determination of Closing Consideration.

(b) *Metered Parking Revenue.* The Port Authority shall, during the Term, (i) have the exclusive right to collect and retain all of the Metered Parking Revenue derived from the Metered Parking Fees, at rates not exceeding those permitted by the Schedule of Parking Fees then in effect, with respect to the parking of any vehicle at a Metered Parking Space in the On-Street Parking System in accordance with the provisions of this Agreement, and, (ii) subject to its obligations arising under the Note and Indenture, have right, title, entitlement and interest in all revenues derived from the Metered Parking Fees imposed by or on behalf of the Port Authority in respect of vehicles using the On-Street Parking System.

(c) *Off-Street Parking Facility Revenue.* The Port Authority shall, during the Term, (i) have the right to collect and enforce payment of fees and charges, at rates not exceeding those permitted by the Schedule of Parking Fees then in effect, with respect to the parking of any vehicle in the Off-Street Parking System in accordance with the provisions of this Agreement and, subject to Section 3.15 and its obligations arising under the Note and Indenture (ii) have right, title, entitlement and interest in all revenues derived from Off-Street Parking Fees imposed by or on behalf of the Port Authority in respect of vehicles using the Off-Street Parking System.

(d) *Parking Violation Revenue.* Subject to its obligations arising under the Note and Indenture, the Port Authority shall, during the Term, have the right to collect and retain all of the Parking Violation Revenues derived from the Parking Enforcement conducted by the Enforcement Operator or the City's designated parking or law enforcement officers.

(e) *Other Franchise Revenue.* Subject to the limitations sets forth in this Agreement, Indenture, and Note, the Port Authority may develop alternative sources of revenue derived from the Parking System, which may include the development of plans and programs to enhance rentals and revenue derived from advertisements ("Other Franchise Revenue"). The Port Authority may utilize space in the Parking Facilities for certain commercial activities and uses, including advertisements, electric charging stations and other new uses, provided, however, that each such additional activity or use shall be consistent (i) with the City's Advertising Policy set forth on Schedule 14 and (ii) all applicable Laws.

#### Section 7.2. Additional On-Street Parking; Removal of Parking Spaces.

(a) *New Metered Parking Spaces.* Subject to Approval from the City's Department of Transportation and Engineering (the "DOTE" or any other City department which may in the future have responsibility for some or all of the duties currently assigned to the DOTE) with respect to use of the City's right-of-way, and after the unanimous approval of the Advisory Committee, the Port Authority may install Metering Devices on any of the Unmetered Parking Spaces within the On-Street Parking System.

(b) *Deemed Removal of Parking Spaces.* A Parking Space shall be deemed to be removed (a "Permanent Removal") by the City for the purposes of this Article 7 upon the earlier to occur of (i) the receipt of written notice by the City to Port Authority that such closure is a permanent removal of such Parking Space or (ii) one year of continued closure of the Parking Space. If a Parking Space ceases to be designated by the City as a Parking Space, then the Port Authority must immediately cease to collect Parking Fees with respect to such parking space and within Ten (10) Business Days after notification and, upon the direction of the City, shall proceed to remove all Metering Devices, if any, with respect thereto at the City's cost and expense including repairing any damage caused by such removal (i.e., repairing the holes remaining after such removal). The removal of Metered Parking Spaces shall not be considered a violation of the Restrictive Covenant if: (i) removed in connection with the Cincinnati Streetcar Project; or (ii) in accordance with a City Request arising under and in accordance with Article 5.

**Section 7.3. Notice.** Notice of any designation or removal of a Parking Space by the City pursuant to this Article 7 shall be provided in writing to the Port Authority prior to such designation or removal.

**Section 7.4. Planned Permanent Removal.** The City intends, and the Port Authority acknowledges, that the City shall be permitted to permanently remove not more than Sixty (60) Metered Parking Spaces as a result of the Cincinnati Streetcar Project and such removals by the City shall not be a violation of the Restrictive Covenant.

#### **Section 7.5. Identified Events and Global Events.**

(a) *Identified Events*

(i) The City may temporarily close, take over the use of or reduce or prohibit Parking Fees to be charged with respect to, all or any portion of the Parking System for Identified Events, as set forth on Schedule 9 attached hereto (as modified from time to time in accordance with this Section 7.5). An Identified Event shall not constitute a violation of the Restrictive Covenant to the extent it is identified on Schedule 9 and to the extent it, together with all other Identified Events in the same Franchise Year, does not exceed the Identified Event Threshold.

(ii) The City shall have the right to modify Schedule 9 prior to each Franchise Year without violating the Restrictive Covenant, provided that the Parking Spaces subject to and associated with the Identified Events listed on Schedule 9, as modified, are commensurate with those of the previous Schedule 9 with respect to (A) quantity; (B) location; (C) the time period during which such Parking Spaces are affected; and (D) the days of the week during which such Parking Spaces are affected. To the extent that the

City does not have knowledge of an Identified Event prior to the applicable Franchise Year, the City shall provide notice to the Port Authority in advance of the Identified Event promptly after the City becomes aware of such Identified Event.

(iii) During an Identified Event, the portions of the Parking System affected by such Identified Event will be controlled and operated by the Port Authority and, during such Identified Event, the Port Authority will, subject to its obligations under the Note and Indenture, be entitled to any revenue, and be responsible for all operating expenses, associated with such affected portions of the Parking System.

(b) *Global Events*

(i) The City may designate certain events in each Franchise Year (each, a “Global Event”) during which, except as set forth in Section 7.5(b)(ii), the City may temporarily close, take over the use of or reduce or prohibit Parking Fees to be charged with respect to all or any portion of the Parking System, provided, further, that during the Day immediately following the Global Event, the Port Authority shall allow patrons utilizing the Parking Facilities for the Global Event to retrieve vehicles at a reduced charge or no charge. The City shall notify the Port Authority of Global Events of which it has knowledge prior to each Franchise Year. To the extent that the City does not have knowledge of a Global Event prior to the applicable Franchise Year, the City shall provide notice to the Port Authority in advance of the Global Event promptly after the City becomes aware of such Global Event. The closure of Parking Spaces for up to Twenty (20) days for each Franchise Year for Global Events shall not constitute a violation of the Restrictive Covenant. Any portions of the Parking System not affected by a Global Event shall continue to be operated by the Port Authority during such Global Event, and the Port Authority will, subject to its obligations under the Note and Indenture, be entitled to any Parking Revenue therefrom (including any fees collected by Port Authority during its operation of such portions of the Parking System during such Global Event).

(ii) Any Parking Facility not closed as part of a Global Event will operate during such Global Event and the Port Authority will be, subject to its obligations arising under the Note and Indenture, entitled to any Parking Revenue, and be responsible for all Operating Expenses, associated with such designated Parking Facilities.

**Section 7.6. Temporary Closure; Temporary Closure Fees.** Anytime after the Closing, the City shall have the right to designate a Temporary Closure from time to time, of any Parking Space or Parking Spaces, subject to the Temporary Closure Fees and the terms of this Article 7. Subject to its obligations arising under the Note and Indenture, the Port Authority shall be entitled to collect and retain any applicable Temporary Closure Fee from any Person requesting such Temporary Closure, excluding the City.

**Section 7.7. Additional Metered Parking Spaces.** During the Term, the City may, in its reasonable discretion, designate additional Parking Spaces (the “Additional Parking Spaces”) as a City Request pursuant to Section 5.1, and each Additional Parking Space shall immediately become part of the Parking System.



## **Section 7.8. Parking Fee and Period of Operation Adjustments.**

### **(a) *Changes in Metered Parking Fees.***

(i) *Decreases in Metered Parking Fees.* Following the Initial Adjustment Date, the Port Authority may decrease the Metered Parking Fees for all or a portion of the Metered Parking Spaces after the unanimous approval of the Advisory Committee or pursuant to a Dynamic Pricing Schedule. Unless a decrease in the Metered Parking Fee is approved by the Port Authority, after the unanimous approval of the Advisory Committee, any decrease in the Metered Parking Fee directly caused by the City will be considered a violation of the Restrictive Covenant.

(ii) *Increases in Metered Parking Fees.* Following the Initial Adjustment Date, the Port Authority may increase the Metered Parking Fees for all or a portion of the Metered Parking Spaces up to the Applicable Metered Parking Fee Cap, subject in each case to the requirements of the Regular Rate Adjustment; provided, however, any adjustments establishing a special event rate for the Metered Parking Spaces shall not be implemented or imposed during the hours of 8:00 a.m.-5:00p.m., Monday through Friday, without the unanimous approval of the Advisory Committee. Any increase of the Metered Parking Fee in excess of the Applicable Metered Parking Fee Cap is subject to approval by the Port Authority, after the unanimous approval of the Advisory Committee.

### **(b) *Changes in Period of Operation.***

(i) *Decreases in Period of Operation.* Following the Initial Adjustment Date, the Port Authority may decrease the Period of Operation of all or a portion of the Metered Parking Spaces or Off-Street Parking Spaces, after the unanimous approval of the Advisory Committee. Unless approved by the Port Authority, after the unanimous approval of the Advisory Committee, any decrease in the Period of Operation of all or a portion of the Metered Parking Spaces or the Off-Street Parking Spaces directly caused by the City will be considered a violation of the Restrictive Covenant.

(ii) *Increases in Period of Operation.* Following the Initial Adjustment Date, the Port Authority may increase the Period of Operation for all or a portion of the Parking Spaces, provided, however, that the Port Authority shall not increase the hours of operation for any Metered Parking Spaces to any hour earlier than 7 a.m. or later than 9 p.m. without the unanimous approval of the Advisory Committee.

### **(c) *Changes in Off-Street Parking Fees.***

(i) *Decreases in Off-Street Parking Fees.* Following the Initial Adjustment Date, the Port Authority may decrease the Off-Street Parking Fees for all or a portion of the Off-Street Parking System after the unanimous approval of the Advisory Committee or pursuant to a Dynamic Pricing Schedule; provided, however, the Port Authority may decrease the Off-Street Parking Fees for a Parking Facility to match the fees charged by a parking garage or lot located within five blocks of that Parking Facility. Unless a decrease in the Off-Street Parking Fee is approved by the Port Authority after the unanimous approval of the Advisory Committee, any decrease in the Off-Street Parking

Fees directly caused by the City will be considered a violation of the Restrictive Covenant.

(ii) *Increases in the Off-Street Parking Fees.* Following the Initial Adjustment Date, the Port Authority may increase the Off-Street Parking Fees for all or a portion of the Off-Street Parking System up to the Applicable Off-Street Parking Fee Cap, subject to the Regular Rate Adjustment. Any increase of the Off-Street Parking Fees in excess of the Applicable Off-Street Parking Fee Cap is subject to approval by the Port Authority, after the unanimous approval of the Advisory Committee.

**Section 7.9. Right to Challenge.** Unless otherwise stated, if a Party objects to any determination made by the other Party pursuant to this Article 7, the objecting Party shall have the right to submit such determination (at any time including after the date of such determination) for resolution in accordance with the dispute resolution mechanisms set forth in Article 19; provided, however, that in the event that either Party breaches Sections 7.8(a), (b) or (c), the non-breaching Party retains the right to seek immediate injunctive relief.

**Section 7.10. Mitigation of Temporary Closure.** Both the Port Authority and City shall use their best efforts to provide the other with reasonable written notice of the Temporary Closure of the Parking System or a material portion thereof. Upon receipt of such notice, the Parties shall negotiate in good faith to arrange to mitigate any potential damages or dissatisfaction to users of the Parking System caused by and during such Temporary Closure.

**Section 7.11. Delegation to President of the Port Authority.** Where this Agreement authorizes the Port Authority to decrease Parking Fees, or to decrease hours of operation of the Parking System, the Port Authority agrees to duly delegate the power of its board of directors to take such action to its President. In determining what is in the best interest of the Parking System, users of the Parking System, and the Port Authority, the President shall give due and reasonable consideration to any request made by the City; as well as all factors affecting or related to the Parking System, including, but not limited to: (i) long-term prospects and interests of the Parking System and its users; (ii) the social, economic, legal, or other effects of any action on the Parking System; (iii) the recommendations, counsel and advice of any Consultant or Engineering Firm appointed in connection with the Agreement; and (iv) the Parking Revenue.

## ARTICLE 8

### REPORTING; AUDITS; INSPECTIONS

#### Section 8.1. Reports.

(a) *Incident Management and Notifications.* The Port Authority shall provide notice or shall cause notice to be provided to the City of all emergencies as promptly as possible, and, in any event, not later than two (2) Business Days of being known to the Port Authority, Asset Manager, or Operator and promptly provide notice to the City of all material accidents and incidents occurring with respect to the Parking System, and of all claims in excess of One Hundred Thousand Dollars (\$100,000), Adjusted for Inflation, made by or against the Port Authority or its Representatives, or potential claims in excess of One Hundred Thousand Dollars

(\$100,000), Adjusted for Inflation, that the Port Authority reasonably expects to make against, or to be made against it by, third parties.

(b) *Environmental Incident Management and Notifications.* The Port Authority shall provide notice or shall cause notice to be provided to the City as promptly as possible, and, in any event, not later than two (2) Business Days following the Port Authority's, Asset Manager's, or Operator's becoming aware of the discharge, dumping, spilling (accidental or otherwise) of any reportable quantity, as defined under applicable Environmental Law, of Hazardous Substances occurring with respect to the Parking System, the time, the agencies involved, the damage that has occurred and the remedial action taken. The Port Authority shall, to the extent of available insurance proceeds or Parking Revenues, be financially responsible and shall pay the costs and expenses of any remediation required as a result of any such discharge, dumping or spilling of Hazardous Substances caused by the willful misconduct or negligent action of, or permitted by the negligent inaction of, the Port Authority or any of its Representatives. The Port Authority shall not be financially responsible for the actions of third parties except for those actions with respect to which the Port Authority or any of its Representatives shall have had prior knowledge or those actions consented to by the Port Authority or any of its Representatives.

(c) *Financial Reports.* The Port Authority shall deliver to the City as soon as reasonably available after the end of each Year a copy of the audited balance sheets of the Port Authority at the end of each such Year and the related audited statements of income, changes in equity and cash flows for Year, including, in each case, the notes thereto, together with the report thereon of the independent certified public accountants of the Port Authority, in each case in a manner and containing information consistent with the Port Authority's current practices and certified by the Port Authority's chief financial officer that such financial statements fairly present the financial condition and the results of the operations, changes in equity and cash flows of the Port Authority as at the respective dates of and for the periods referred to in such financial statements, all in accordance with standards of the Governmental Accounting Standards Board of the United States consistently applied.

(d) *Operating Budget & Capital Plan.* Prior to the beginning of each Franchise Year, the Port Authority shall deliver to the City an annual operating budget (the "Annual Operating Budget") and long-term capital plan (the "Capital Plan") prepared by the Asset Manager in consultation with the Port Authority, the Engineering Firm, Consultant, and Operator. The Annual Operating Budget shall, after taking into account the estimated Parking Revenue and obligations arising under the Indenture, set forth an annual operating budget for the management of the Parking System for the forthcoming Franchise Year. The Capital Plan shall, after taking into account the estimated Parking Revenue, project the estimated level of capital expenditures for the subsequent Ten (10) Franchise Years that will be required to maintain the Parking System in accordance with the Operating Standards, capital improvements arising under Article 4, and other anticipated needs of the Parking System.

(e) *Reports.* The Port Authority shall also cause to be delivered to the City, not more frequently than monthly, copies of disbursement requests by the Port Authority to the Trustee. Those disbursement requests will include breakdowns of Parking Revenue by the category of Parking Lot, Parking Garage and Metered Parking Spaces, as well as Parking Violation Revenue,

the number of tickets issued by the Enforcement Operator for Parking Violations, and the aggregate number of hours the Metering Devices were operational, and such other information as the City and the Port Authority may mutually agree upon. If during any consecutive Sixty (60) day period, the Asset Manager has not delivered a disbursement request to the Port Authority, then the Port Authority will provide the information set forth in this Subsection 8.1(e) to the City.

## **Section 8.2. Information.**

(a) *Furnish Information.* Subject to Section 8.2(b), at the request of the City, the Port Authority shall, not more frequently than once each Quarter: (i) make available or cause to be made available (and, if requested by the City, furnish or cause to be furnished) to the City all Information relating to the Parking System Operations, this Agreement or the Parking System as may be reasonably specified in such request and as shall be in the possession or control of the Port Authority or as available to the Port Authority under the Asset Management Agreement or Operator Agreement, and (ii) permit the City, after giving Ten (10) Business Days' prior notice to the Port Authority (which notice shall identify the Persons the City requests to be present for an interview and describe with reasonable specificity the subject matter to be raised in the interview) to discuss the obligations of the Port Authority under this Agreement with any of the directors, officers, employees or managers of the Port Authority, Asset Manager, Operator, or their respective Representatives at times and places acceptable to all attendees (it being agreed that the Port Authority shall have the right to be present during any such discussions with the Representatives of the Operator or Asset Manager), for the purpose of enabling the City to determine whether the Port Authority is in compliance with this Agreement. For the avoidance of doubt, this Section 8.2(a) does not impose a requirement to retain Information not otherwise retained in the normal course of business or required to be retained by applicable Law.

(b) *Confidentiality.* The parties acknowledge that City is governed by the Ohio Public Records Laws. Notwithstanding any statement in this Agreement to the contrary, the City's handling of any confidentiality obligations are subject to the limitations of this paragraph. Records (as defined by Ohio Revised Code §§ 149.011 and 149.43) related to this Agreement may be subject to disclosure under the Ohio Public Records Laws. The City shall have no duty to defend the rights of the Port Authority or any of its Contractors, agents or affiliates in any records requested to be disclosed. Upon receipt of a public records request, the City will notify the Port Authority of its intent to release records to the requestor. The Port Authority or the Contractor, as applicable, shall have a maximum of five (5) Business Days beginning with the date it receives notification to respond to the City by either responding to the requestor or pursuing legal remedies to stop the City's release of requested information. Said notification shall relieve the City of any further obligation under any claim of the Port Authority, or any of its agents or affiliates, or the Contractor, as applicable in any jurisdiction in connection with the disclosure of such records. The Port Authority and its agents and affiliates, or the Contractor, as applicable, shall have the right to pursue legal and/or equitable remedies to stop or limit disclosure at their sole expense. The Port Authority will defend City against any third party claim related to the Port Authority's designation of certain records as exempt from public disclosure ("Claim"), and will hold harmless the City for any award to a plaintiff for damages, costs and reasonable attorney's fees, incurred by the City by reason of such Claim. City will

promptly notify the Port Authority of the Claim, and will allow the Port Authority to control the defense and settlement thereof.

### **Section 8.3. Inspection, Audit and Review Rights of the City.**

(a) *Audit Right.* In addition to the rights set out in Section 8.2, the City may, at the City's expense, at all reasonable times, upon Ten (10) Business Days' prior notice cause a Representative designated by it to carry out an Audit and Review of the Information required to be maintained or delivered by the Port Authority under this Agreement in connection with the performance of the Parking System Operations for the purpose of verifying the information contained therein and shall be entitled to make copies thereof and to take extracts therefrom, but, in any event, subject to Section 8.2(b). The Port Authority shall, at reasonable times, make available or cause to be made available to the City or its designated Representative such information and material, in the Port Authority's possession or control as available under the Operating Agreement or Asset Management Agreement and as may reasonably be required by the City or its designated Representative for its purposes and otherwise provide such cooperation as may be reasonably required by the City in connection with the same; provided, however, that such Audit and Review rights are limited to one Audit and Review per Year or as otherwise required in the event that the City has a good faith basis to request such Audit and Review.

(b) *Inspection Right.* The City and its Representatives shall, at all reasonable times and upon reasonable oral prior notice, have access to the Parking System and every part thereof and the Port Authority, at the reasonable cost and expense of the Port Authority, but solely from Parking Revenues, shall, and shall cause its Representatives to, furnish the City with every reasonable assistance for inspecting the Parking System and the Parking System Operations for the purpose of Auditing the Information or ascertaining compliance with this Agreement and applicable Law subject to reasonable restrictions on access to confidential and proprietary information as determined by the Port Authority. The City will provide the Port Authority with a copy of any written report or summary of findings resulting from such inspection. To the extent the City's inspection reveals matters which require additional information or comment from the Engineer, the Port Authority, at the reasonable cost and expense of the Port Authority, but solely from Parking Revenues, shall, and shall cause its Representatives to, engage the Engineer within five (5) Business Days of written notice by the City, to review the results of the City's inspection and to resolve any City concerns.

(c) *Tests.* The City and its Representatives shall, with the prior consent of the Port Authority (which shall not be unreasonably withheld, conditioned or delayed), be entitled, at the sole cost and expense of the City, and at any time and from time to time, to request that the Port Authority perform any test, study or investigation in connection with the Parking System or the Parking System Operations as the City may reasonably determine to be necessary in the circumstances. The Port Authority may not unreasonably deny any such request or unreasonably delay any such test. The City will provide the Port Authority with a copy of any written report or summary of findings resulting from such tests.

(d) *No Waiver.* Failure by the City or its Representatives to inspect, review, request a test or Audit the Port Authority's responsibilities under this Agreement or any part thereof, or the

performance by the Port Authority of the Parking Services, or the Information, shall not constitute a waiver of any of the rights of the City hereunder or any of the obligations or liabilities of the Port Authority hereunder. Inspection, review, testing or Audit not followed by a notice of Port Authority Default shall not constitute a waiver of any Port Authority Default or constitute an acknowledgement that there has been or will be compliance with this Agreement and applicable Law.

(e) *No Undue Interference.* In the course of performing its inspections, reviews, tests and Audits hereunder, the City shall minimize the effect and duration of any disruption to or impairment of the Parking System Operations or the Port Authority's rights or responsibilities under this Agreement, having regard to the nature of the inspections, reviews, tests and Audits being performed, except as necessary in the case of investigations of possible criminal conduct or City ordinance violations.

**Section 8.4. Audits, Assistance, Inspections and Approvals.** Wherever in this Agreement reference is made to the City or its Representatives providing assistance, services to or on behalf of the Port Authority or its Representatives or to the City or its Representatives performing an Audit or inspecting, testing, reviewing or examining the Parking System, the Parking System Operations or any part thereof or the books, records, Documents, budgets, proposals, requests, procedures, certificates, plans, drawings, specifications, contracts, agreements, schedules, reports, lists or other instruments of the Port Authority, such undertaking by the City or its Representatives shall not relieve or exempt the Port Authority from, or represent a waiver of, any requirement, liability, Port Authority Default, covenant, agreement or obligation under this Agreement or at law or in equity and shall not create or impose any requirement, liability, covenant, agreement or obligation (including an obligation to provide other assistance, services or Approvals) on the City or its Representatives not otherwise created or imposed pursuant to the express provisions of this Agreement.

## ARTICLE 9

### REPRESENTATIONS AND WARRANTIES

**Section 9.1. Representations and Warranties of the City.** The City makes the following representations and warranties to the Port Authority and acknowledges that the Port Authority and its Representatives are relying upon such representations and warranties in entering into this Agreement:

(a) *Organization.* The City is a municipal corporation organized and existing under the laws of the State of Ohio.

(b) *Power and Authority.* The Council of the City has (i) duly authorized and approved the execution and delivery of this Agreement and (ii) duly authorized and approved the performance by the City of its obligations contained in this Agreement. The City has the power and authority to enter into this Agreement and to do all acts and things and execute and deliver all other documents as are required hereunder to be done, observed or performed by it in accordance with the terms hereof.

(c) *Enforceability.* This Agreement constitutes a valid and legally binding obligation of the City, enforceable against the City in accordance with the terms hereof, subject only to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

(d) *Title.* At the Time of Closing, the City will have good and sufficient title (or good and sufficient title will be had for the benefit of the City) to the Parking System necessary for the Parking System Operations pursuant to this Agreement, and – in reliance on a title examination – subject only to Permitted City Encumbrances, will be able to transfer or grant such interests to the Port Authority as provided in this Agreement. Subject to any and all permitted City Encumbrances, the recorded or unrecorded restrictions, exceptions, easements, rights of way, reservations, limitations, interests and other matters that affect title to the Parking System (or any portion thereof) do not materially adversely affect the Port Authority's ability to operate the Parking System (other than the Port Authority Encumbrances and any claims, rights, or interests granted by or otherwise relating to the Port Authority); provided, however, the foregoing shall not apply to (i) revenues to which the City is or may be entitled to under this Agreement or (ii) revenues or income derived after the End Date.

(e) *No Conflicts.* The execution and delivery of this Agreement by the City, the consummation of the transactions contemplated hereby (including the operation of the Parking System in accordance with the terms of this Agreement) and the performance by the City of the terms, conditions and provisions hereof has not and will not contravene or violate or result in a breach of (with or without the giving of notice or lapse of time, or both) or acceleration of any material obligations of the City under (i) any applicable Law or (ii) to the best of the City's knowledge any material agreement, instrument or document to which the City is a party or by which it is bound.

(f) *Consents.* No Consent is required to be obtained by the City from, and no notice or filing is required to be given by the City to or made by the City with, any Person (including any Governmental Authority) in connection with the execution, delivery and performance by the City of this Agreement or the consummation of the transactions contemplated hereby, except for those Consents which have been obtained or will be obtained on or before Closing or, with respect to the City's obligations after Closing, those Consents which the City has obtained or reasonably expects to obtain in the ordinary course prior to the time when such Consent is required.

(g) *Compliance with Law; Litigation; Environmental Matters.*

(i) The City has operated and is operating the Parking System in compliance, in all material respects, with all applicable Laws and the City is not in breach of any applicable Law that would have a Material Adverse Effect on the operations of the Parking System or on the Port Authority Interest. To the knowledge of the City, (A) the City is in compliance, in all material respects, with the terms and conditions of all Authorizations from Governmental Authorities, (B) no claim has been made by any Governmental Authority to the effect that an Authorization that the City has not obtained is necessary in respect to the operation of the Parking System, and (C) no additional

Authorizations from any Governmental Authority are necessary for the operation of the Parking System as currently operated.

(ii) There is no action, suit or proceeding, at law or in equity, or before or by any Governmental Authority, pending nor, to the best of the City's knowledge, threatened against the City prior to or at the Time of Closing, which would reasonably be expected to have a material adverse effect on the operations of the Parking System. As of the date of this Agreement, there is no action, suit or proceeding, at Law or in equity, or before or by any Governmental Authority (excluding the City), pending nor, to the best of the City's knowledge, threatened against the City which could materially affect the validity or enforceability of this Agreement or the City's ability to perform its obligations hereunder.

(iii) To the best of the City's knowledge, after due and reasonable inquiry, there has been no release (including the migration of any release) of a Hazardous Substance at, on or under the Parking Facilities that would reasonably be expected to have a material adverse effect on the Port Authority or its ability to comply with the Operating Standards, Parking Revenues or operating expenses or capital improvement requirements of the Parking System.

(h) *Financial Information.* The financial information of the City relating to the Parking System for the periods ended December 31, 2007, 2008, 2009, 2010 and 2011, and for the stub period from September 1, 2011 to August 31, 2012, all attached hereto as Schedule 8, fairly presents the revenues, operating expenses and net revenues of the Parking System as of the dates and for the periods stated in such financial information.

(i) *Parking System Contracts.* The Parking System Contracts, identified on Schedule 1, represent, to the best of the City's knowledge, all contracts and obligations relating to the Parking System, and are either capable of being assigned to the Port Authority and are in full force and effect or will be terminated with respect to the Parking System at the direction of the Port Authority. The City is not in material breach of its obligations under any Parking System Contract, and no act or event has occurred which, with notice or lapse of time, or both, would constitute a material breach thereof, and no other party to any Parking System Contract is in material breach of its obligations under any Parking System Contract, and no act or event has occurred with respect to any such party, which with notice or lapse of time, or both, would be or is reasonably expected to constitute a material breach thereof. The City will terminate any Parking System Contract not assigned to the Port Authority to which the City is a party relating to the use and operation of the Parking System (or terminate that portion of Parking System Contract which relates solely to the Parking System if such Parking System Contract also relates to other unrelated properties of the City). To the extent the City determines after Closing that there are other contracts which relate to the Parking System but are not included on Schedule 1, the City will give the Port Authority notice of such contracts and, at the option of the Port Authority, the City will either (i) assign the contracts to the Port Authority or (ii) terminate the contracts with respect to the Parking System at the City's cost and expense.

(j) *Absence of Changes.* Since the Bid Date, there has not been any transaction or occurrence that has resulted or is reasonably likely to result in a Material Adverse Effect. Since



the Bid Date through Closing, City and City's Contractors have operated the Parking System and Parking Enforcement in a manner consistent with the ordinary course of business and have not, for example, intentionally increased or decreased efforts and resources related to operations, maintenance or enforcement so as to reduce the value of the Franchise.

(k) *Brokers.* Except for Walker Parking Consultants and The PFM Group, whose fees will be paid by the City, there is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of the City who might be entitled to any fee or commission from the City in connection with the transactions contemplated by this Agreement. There is also no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of the City who might be entitled to any fee or commission from the Port Authority in connection with the transactions contemplated by this Agreement.

(l) *Accuracy of Information.* The factual and past historical information regarding the Parking System that the City provided to the Port Authority, the Underwriter, the Initial Asset Manager, Initial On-Street Operator and the Initial Off-Street Operator in the virtual data room labeled "Cincinnati Parking Monetization RFP" at [www.walkerparkingdatarooms.com](http://www.walkerparkingdatarooms.com) was accurate in all material respects at the time such information was prepared.

**Section 9.2. Representations and Warranties of the Port Authority.** The Port Authority makes the following representations and warranties to the City (and acknowledges that the City is relying upon such representations and warranties in entering into this Agreement):

(a) *Organization.* The Port Authority is duly organized, validly existing and in good standing under the laws of the state of Ohio.

(b) *Power and Authority.* The Port Authority has the power and authority to enter into this Agreement and to do all acts and things and execute and deliver all other documents as are required hereunder to be done, observed or performed by it in accordance with the terms hereof.

(c) *Enforceability.* This Agreement has been duly authorized, executed and delivered by the Port Authority and constitutes a valid and legally binding obligation of the Port Authority, enforceable against it in accordance with the terms hereof, subject only to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

(d) *No Conflicts.* The execution and delivery of this Agreement by the Port Authority, the consummation of the transactions contemplated hereby and the performance by the Port Authority of the terms, conditions and provisions hereof has not and will not contravene or violate or result in a material breach of (with or without the giving of notice or lapse of time, or both) or acceleration of any material obligations of the Port Authority under (i) any applicable Law, (ii) to the best of the Port Authority's knowledge, any material agreement, instrument or document to which the Port Authority is a party or by which it is bound or (iii) the articles, bylaws or governing documents of the Port Authority.

(e) *Consents.* No Consent is required to be obtained by the Port Authority from, and no notice or filing is required to be given by the Port Authority to or made by the Port Authority with, any Person (including any Governmental Authority) in connection with the execution and delivery by the Port Authority of this Agreement or the consummation of the transactions contemplated hereby, except for such consents which have been obtained and notices which have been given as of the date hereof.

(f) *Compliance with Law; Litigation.* The Port Authority is not in breach of any applicable Law that could have a material adverse effect on the Port Authority's ability to perform its obligations under this Agreement. The Port Authority, and to the best of its knowledge each of the Initial Operator, Initial Asset Manager, and Underwriter is not listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of Persons with which the City may not do business under applicable Law: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and solely with respect to the Port Authority and its parent, the Debarred List. There is no action, suit or proceeding, at law or in equity, or before or by any Governmental Authority, pending nor, to the best of the Port Authority's knowledge, threatened against the Port Authority prior to or at the Time of Closing, which will have a material adverse effect on (i) the transactions contemplated by this Agreement or (ii) the validity or enforceability of this Agreement.

(g) *RFP.* To the knowledge of the Port Authority, based solely on certificates provided by the Underwriter, Asset Manager and Operator, without independent investigation, all of the information in the response to the Request for Proposals Cincinnati Parking System delivered by or on behalf of the Underwriter to the City in connection with the execution of this Agreement is true, accurate, and correct in all material respects at the time such information was provided.

(h) *Operator and Asset Manager.* To the extent the Operator and Asset Manager are not the Port Authority, the Port Authority represents and warrants as follows: each of the Operator and the Asset Manager has represented to the Port Authority that: (i) each is duly organized, validly existing and in good standing under the laws of the state of their organization; (ii) each has the power and authority to do all acts and things and execute and deliver all other documents as are required hereunder to be done, observed or performed by them in connection with their engagement and appointment by the Port Authority; (iii) each has all necessary expertise, qualifications, experience, competence, skills and know-how to manage and perform the Parking System Operations, respectively, in accordance with this Agreement; and (iv) neither is in breach of any applicable Law that would have a material adverse effect.

(i) *Brokers.* There is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of the Port Authority who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement which could become a claim on, a liability of, or an Encumbrance on, the Parking System.

**Section 9.3. Non-Waiver.** No investigations made by or on behalf of any Party at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation or warranty made by the other Party in this Agreement or pursuant to this Agreement. No waiver by a Party of any condition, in whole or in part, shall operate as a waiver of any other condition.

**Section 9.4. Survival.**

(a) *City's Representations and Warranties.* The representations and warranties of the City contained in Section 9.1 shall survive and continue in full force and effect for the benefit of the Port Authority as follows: (i) as to the representations and warranties contained in Sections 9.1(a) through 9.1(g), and 9.1(k) inclusive, without time limit; and (ii) as to all other matters, for a period of 24 months following the Closing Date unless a bona fide notice of a Claim shall have been given, in writing in accordance with Section 20.1, prior to the expiry of that period, in which case the representation and warranty to which such notice applies shall survive in respect of that Claim until the final determination or settlement of that Claim, provided such determination or settlement is being pursued diligently and in good faith by the applicable Party.

(b) *Port Authority's Representations and Warranties.* The representations and warranties of the Port Authority contained in Section 9.2 shall survive and continue in full force and effect for the benefit of the City for the Term of this Agreement.

**ARTICLE 10**

**FINANCE OBLIGATIONS**

**Section 10.1. Port Authority's Obligations.** The Port Authority shall be responsible for obtaining any financing for the performance of its obligations under this Agreement, which financing shall comply with all requirements of this Agreement and is subject to the availability of Parking Revenues to support such financing on commercially reasonable terms.

**Section 10.2. City's Obligations.** The City shall, to the extent consistent with applicable Law and at the sole cost and expense of the Port Authority, cooperate with the Port Authority with respect to documentation reasonably necessary to obtain, maintain and replace financing for the performance of the obligations of the Port Authority hereunder. The City's cooperation may include reviewing, Approval and executing documents which substantiate the terms of this Agreement (including any consents or agreements necessary to confirm that the debt evidenced by the relevant financing constitutes Leasehold Mortgage Debt) and making information and material available to the Port Authority's lenders to facilitate financing to the extent permitted by applicable Law and contractual obligations with third parties and to the extent reasonable in the circumstances. If requested to do so by the Port Authority, the City shall use its reasonable efforts to cause the City's independent public accountants to consent to the preparation, use and inclusion of certain financial information regarding the Parking System in connection with the Port Authority's public or private offering of securities, as the case may be. In addition, the City shall, promptly upon the request of the Port Authority or any Leasehold Mortgagee, execute, acknowledge and deliver to the Port Authority, or any of the parties specified by the Port Authority, standard estoppel certificates with respect to this Agreement which may be

qualified, after reasonable diligence, to the best of the knowledge and belief of a designated Representative of the City. Nothing herein shall require the City to incur any additional obligations or liabilities (unless the City shall have received indemnification, as determined in the City's discretion, with respect thereto) or to take any action, give any consent or enter into any document inconsistent with the provisions of this Agreement.

**Section 10.3. Port Authority's Obligation for Estoppel Certificates.** The Port Authority shall, promptly upon the request of the City, execute and deliver to the City, or any of the parties specified by the City, standard consents and estoppel certificates with respect to this Agreement which may be qualified to the best of the knowledge and belief of a designated Representative of the Port Authority. Nothing herein shall require the Port Authority to incur any additional obligations or liabilities (unless the Port Authority shall have received indemnification, as determined in the Port Authority's discretion, with respect thereto) or to take any action, give any consent or enter into any document inconsistent with the provisions of this Agreement or applicable Law.

## **ARTICLE 11**

### **COMPLIANCE WITH LAWS**

**Section 11.1. Compliance with Laws.** The Port Authority must at all times observe and comply, in all material respects, and cause the Parking System Operations to observe and comply, in all material respects, with all applicable Laws now existing or later in effect, including those Laws expressly enumerated in this Article 11, and those that may in any manner apply with respect to the performance of the Port Authority's obligations under this Agreement. The Port Authority must notify the City within Seven (7) Days after receiving notice from a Governmental Authority that the Port Authority may have violated any Laws.

#### **Section 11.2. Non-Discrimination.**

(a) *Non-Discrimination Requirements.* The Port Authority shall comply with all applicable federal, state and local Laws regarding non-discrimination, including: (i) the Civil Rights Act of 1964, 42 U.S.C. § 2000 *et seq.* (1981); (ii) the Civil Rights Act of 1991, P.L. 102-166; (iii) Executive Order Number 11246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. § 2000(e) note, as amended by Executive Order Number 11375, 32 Fed. Reg. 14,303 (1967) and by Executive Order Number 12086, 43 Fed. Reg. 46,501 (1978); (iv) the Age Discrimination Act, 42 U.S.C. §§ 6101-6106 (1981); (v) the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-34 (1967); (vi) the Rehabilitation Act of 1973, 29 U.S.C. §§ 793-794 (1981); (vii) the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.* (1990); (viii) the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. § 4301 *et seq.*; (ix) the Ohio Fair Employment Practices Law, Ohio Rev. Code. Ann. § 4112.01 *et seq.*; (x) the Ohio Equal Pay Act, Ohio Rev. Code Ann. §§ 4111.13, 4111.17 and 4111.99; and (xi) the Ohio Pregnancy Discrimination/Maternity Leave Act, Ohio ADC § 4112-5-05.

(b) *Contract Provisions.* The Port Authority shall cause all Contractors to comply with each of the federal laws and Ohio laws, to the extent applicable, referenced in this Section

11.2, and shall include a provision to such effect in each contract entered into with any Contractor.

**Section 11.3. Compliance with Wage and Hours Laws.** The Port Authority shall comply with all applicable Laws governing employment and/or employee wages and hours, including: (i) the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*; (ii) the Ohio Wage Payment Law, Ohio Rev. Code Ann. § 4113.15 *et seq.*; (iii) the Ohio Minimum Wage Law, Ohio Rev. Code Ann. § 4111.01 *et seq.*; and (iv) the Living Wage provisions of the Cincinnati Municipal Code that require, unless specific exemptions apply or a waiver is granted, all employers (as defined therein) under service contracts shall provide a payment of minimum wage to employees (as defined therein) of \$11.32 per hour with health benefits (as defined) or otherwise \$12.82 per hour, where such rates are subject to annual adjustment in accordance with the Cincinnati Municipal Code.

**Section 11.4. Non-Collusion.** By signing this Agreement, Port Authority duly swears, affirms, and warrants that it is the contracting party, and that it has not, nor has any other member, employee, representative, agent, or officer of the firm, company, corporation, or partnership represented by it, directly or indirectly entered into or offered to enter into any combination, collusion or agreement to receive or pay any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face of this Agreement.

**Section 11.5. [Intentionally Omitted].**

**Section 11.6. Drug-Free Workplace Certification.** The Port Authority hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Port Authority will give written notice to the City within Ten (10) days after receiving actual notice that an employee of the Port Authority, Asset Manager, or Operator has been convicted of a criminal drug violation occurring in the workplace. The Port Authority must at all times observe and comply, in all material respects, and cause the Parking System Operations to observe and comply, in all material respects, with all applicable Laws now existing or later in effect that are applicable to it or such Parking System Operations, including those Laws expressly enumerated in this Article 11, and those that may in any manner apply with respect to the performance of the Port Authority's obligations under this Agreement. The Port Authority must notify the City within Seven (7) Days after receiving notice from a Governmental Authority that the Port Authority, Asset Manager, or Operator may have violated any Laws as described above.

**Section 11.7. Small Business Enterprise, Minority Business Enterprise and Women's Business Enterprise.** The City acknowledges that the Port Authority has an economic inclusion policy pertaining to the inclusion of minority, female, and small business enterprises and non-discrimination. The Port Authority shall use its best efforts during the Term, and shall require each Contractor to use its best efforts, to promote the Port Authority's economic inclusion policy. In consideration of those efforts, the City hereby waives compliance with the City's policies concerning Small Business Enterprises, Minority Business Enterprises, and Women's Business Enterprises, as each is defined in Chapter 323 of the City of Cincinnati

Municipal Code, and the City's Equal Employment Opportunity Program, as set forth in Chapter 325 of the City of Cincinnati Municipal Code with respect to Parking System Operations.

**Section 11.8. Reservation of City Right-of-Way Rights and Relocation.** Nothing in this Agreement shall be construed to prevent the City from constructing any Public Improvement in the Public Way. Port Authority agrees and acknowledges that its rights under this Agreement are subject to the City's control and management of the Public Way, including, without limitation, the provisions of Chapter 722 of the Cincinnati Municipal Code (Management and Control of the Use of the City Right-of-Way). Whenever the City deems it necessary that elements of the On-Street Parking System in the Public Way must be relocated to accommodate any Public Improvement, the Port Authority shall relocate or remove that portion of the On-Street Parking System to accommodate the Public Improvement in accordance with Article 5 and pay for the costs of such relocation and removal from Available Revenue, or at the discretion of the City, at the cost and expense of the City.

## ARTICLE 12

### GOVERNMENTAL IMMUNITY

**Section 12.1. Governmental Immunity.** Notwithstanding anything herein to the contrary, the Parties acknowledge and agree that the City and its Council, administration, employees, agents, and Representatives and the Port Authority, and its Board of Directors, employees, agents, and Representatives each are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections set forth under the Ohio Political Subdivision Tort Liability Act, Ohio Revised Code § 2744 *et. seq.*, or otherwise available to the City and its Council, administration, employees, agents and Representatives or the Port Authority and its Board of Directors, employees, agents, and Representatives.

## ARTICLE 13

### INSURANCE

**Section 13.1. Insurance Coverage Required.** The Port Authority shall cause to be provided and maintained at the Port Authority's own expense, or cause to be maintained, during the Term and during any time period following expiration if the Port Authority is required to return and perform any additional work, the insurance coverages and requirements specified below, insuring the Parking System and all Parking System Operations (the "Required Coverages").

(a) *Workers' Compensation and Employer's Liability.* The Port Authority shall provide or cause to be provided Workers' Compensation Insurance, as prescribed by applicable Law, covering all employees who agree to provide a service under this Agreement and Employer's Liability Insurance coverage with limits of not less than Five Hundred Thousand Dollars (\$500,000) each accident or illness or disease.

(b) *Commercial General Liability (Primary and Umbrella).* The Port Authority shall provide or cause to be provided Commercial General Liability Insurance or equivalent with limits of not less than Twenty Five Million Dollars (\$25,000,000) per occurrence and in the

annual aggregate, which limits shall be met through a combination of primary and excess or umbrella policies, for bodily injury, personal injury and property damage liability. Coverage shall include the following: all premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, terrorism (to the extent commercially available) and contractual liability (with no limitation endorsement). The City of Cincinnati is to be included as an additional insured on a primary, noncontributory basis for any liability arising under or in connection with this Agreement.

(c) *Automobile Liability (Primary and Umbrella).* When any motor vehicles (owned, non-owned or hired) are used in connection with work to be performed, the Port Authority shall provide or cause to be provided Automobile Liability Insurance with limits of not less than Ten Million Dollars (\$10,000,000) per occurrence and in the annual aggregate, which limits may be met through a combination of primary and excess or umbrella policies, or accident for bodily injury and property damage. The City of Cincinnati is to be included as an additional insured on a primary, non-contributory basis.

(d) *Garage Liability.* The Port Authority shall provide, or cause to be provided, Garage Liability Insurance with limits of not less than Twenty Five Million Dollars (\$25,000,000) per occurrence and in the aggregate, which limits may be met through a combination of primary and excess or umbrella policies, combined single limit, for bodily injury and property damage. Coverage extensions shall include Garage Keepers legal liability. The City of Cincinnati shall be named as an additional insured on a primary, non-contributory basis for any liability arising under or in connection with this Agreement.

(e) *Builder's Risk.* When the Port Authority undertakes any construction, maintenance or repairs to the Parking System, including improvements and betterments pursuant to this Agreement, the Port Authority shall provide or cause to be provided, All Risk Builder's Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the Parking System. Coverage shall include, but not be limited to, the following: right to partial occupancy, boiler and machinery, business income, valuable papers and other consequential loss, when applicable with aggregate sublimits for catastrophic perils of earthquake, flood and named wind, which are the best available on commercially reasonable terms. The City of Cincinnati shall be named as additional insured and, subject to the claims of any leasehold mortgagee, as loss payee.

(f) *Professional Liability.* When any architects, engineers, construction managers or any other professional consultants perform work in connection with this Agreement, the Port Authority shall provide or cause such professional consultants to provide Professional Liability Insurance covering acts, errors or omissions shall be maintained with limits of not less than Two Million Dollars (\$2,000,000); provided, however, that design-and-construction architects and engineers performing work of a material nature with respect to any such construction project undertaken by the Port Authority pursuant to this Agreement must maintain limits of not less than Five Million Dollars (\$5,000,000). Any contractual liability exclusion applying to the policy shall not apply to the extent the professional would otherwise be liable for loss under the policy in the absence of a contract. When policies are renewed or replaced, the policy retroactive date shall coincide with, or precede, start of work in connection with this

Agreement. A claims-made policy which is not renewed or replaced shall have an extended reporting period of Two (2) Years.

(g) *Property.* The Port Authority shall obtain Special Perils Property Insurance at full replacement cost, covering all loss, damage or destruction to the Parking System, including improvements and betterments, which insurance may be provided on a blanket basis with reported building values, which shall include the value of the coverage for the Parking System required hereunder. Coverage shall include the following: equipment breakdown; collapse; water including overflow, leakage, sewer backup or seepage; utility interruption; debris removal; business ordinance or law for increased cost of construction; extra expense; boiler and machinery; valuable papers; and terrorism and aggregated sublimits for flood, earthquake, and named wind. Coverage shall also include business income, which shall be subject to a limit that is separate from and in addition to the limit of full replacement cost for property. The City of Cincinnati is to be named as loss payee. The Port Authority shall be responsible for any loss or damage to City of Cincinnati property at full replacement cost. The Port Authority shall be responsible for all loss or damage to personal property (including materials, fixtures/contents, equipment, tools and supplies) of the Port Authority unless caused by the City of Cincinnati.

(h) *Additional Contractual Liability Insurance Coverage.* In addition to the coverages set forth above, the Port Authority shall provide or cause to be provided adequate contractual liability insurance coverage which ensures that the Capital Improvements and maintenance obligations contracted for under the Indenture, Section 3.13, Article 4 and Article 6 are performed in accordance with the provisions of this Agreement, the Operating Standards, and applicable Law. Coverage shall cover all loss, damage or destruction to the Parking Facilities due to, or arising out of, the failure of the Port Authority to properly maintain, repair or improve the Parking Facilities as provided for herein. The City of Cincinnati shall be named as an additional insured on a primary, non-contributory basis for any costs, damages or liability arising under or in connection with this Agreement and recognized as a beneficiary of the obligations under the Agreement.

### **Section 13.2. Additional Requirements.**

(a) *Obligations of Port Authority.* The Port Authority shall deliver or cause to be delivered to the City, and any other such City department designated in writing by the City, original standard ACCORD form Certificates of Insurance, or equivalent documentation acceptable to the City, evidencing the Required Coverages on or before the Closing Date, and shall provide or cause to be provided, promptly following renewal and not more than Five (5) Business Days following renewal of the then current coverages (or such other period as is agreed to by the City), Renewal Certificates of Insurance, or such similar evidence, if such coverages have an expiration or renewal date occurring during the Term. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of this Agreement. The failure of the City to obtain certificates or other insurance evidence from the Port Authority shall not be deemed to be a waiver by the City. The Port Authority shall advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance shall not relieve the Port Authority of the obligation to provide insurance as specified herein. Except as otherwise expressly set forth herein, each Required Coverage may



be reviewed by the City for compliance with the terms of this Agreement. Each Required Coverage shall be signed by the insurer responsible for the risks insured against or by the insurer's authorized representative. All Required Coverages shall be placed with insurers licensed to do business in the State of Ohio; provided that all such insurers, at a minimum, shall have a rating of A (VII) or better by A.M. Best Company (unless the City consents to waive this requirement). At the request of the City, the Port Authority shall provide the City with certified copies of policies and all policy endorsements.

(b) *Notice of Cancellation or Violation.* The Port Authority shall endeavor to provide at least Ten (10) Days) prior written notice to the City in the event coverage is canceled or non-renewed. The City shall be permitted (but not obligated) to pay any delinquent premiums before the cancellation date specified by the insurer in any notice of cancellation for nonpayment of premium in order to maintain such coverage in full force and effect and the Port Authority shall reimburse the City for any delinquent premiums paid by the City on demand without any Days of grace and without prejudice to any other rights and remedies of the City hereunder. The Port Authority shall maintain the Required Coverage while performing the work for this Agreement.

(c) *Five Year Adjustment.* If it is determined to be necessary by the Port Authority, the amounts of coverage required by Section 13.1 shall be reasonably adjusted to ensure that the Required Coverages continue to provide adequate coverage of the Parking System and Parking System Operations each succeeding fifth anniversary of the Closing Date. Any reasonable adjustment shall come at the recommendation of an independent insurance consultant with expertise reasonably acceptable to the Parties.

(d) *Waiver of Subrogation by Insurers.* Each of the Required Coverages provided by the Port Authority shall, where legally or customarily permitted, include a waiver by the insurer of its Claims and rights of subrogation against the City, its employees, elected officials, agents or Representatives.

(e) *City's Right to Insure.* If the Port Authority fails to obtain and maintain or cause to be obtained and maintained the insurance required by this Article 13, the City shall have the right (without any obligation to do so), upon Ten (10) Business Days' notice to the Port Authority in a non-emergency situation or forthwith in an emergency situation and without assuming any obligation in connection therewith, to effect such insurance and all costs and expenses of the City in connection therewith shall be payable by the Port Authority to the City on demand without any Days of grace and without prejudice to any other rights and remedies of the City hereunder. Such insurance taken out by the City shall not relieve the Port Authority of its obligations to insure hereunder and the City shall not be liable for any loss or damage suffered by the Port Authority in connection therewith.

(f) *[Intentionally Omitted]*.

(g) *No Contribution by the City.* The Port Authority expressly understands and agrees that any insurance or self-insurance programs maintained by the City shall not contribute with insurance provided by the Port Authority under this Agreement.

(h) *Insurance Not Limited.* The Required Coverages shall not be limited by any limitations expressed in the payment obligation language set forth in Article 12 or any limitation placed on the obligation therein given as a matter of law; provided that nothing herein shall cause the Port Authority to make any payments other than from Parking Revenues.

(i) *Insurance Requirements of Contractors.* In lieu of obtaining the Required Coverage itself, the Port Authority may require in each contract with any Contractor that such Contractor obtain coverages reasonably comparable to the Required Coverages that are reasonably appropriate in their limits and other terms and conditions to the nature of the contract with the Contractor. Such coverages shall insure the interests of the City, its employees, elected officials and representatives, the Port Authority and any other Contractors in respect of the applicable work being performed and shall be subject to the same (or comparable) coverage and administrative requirements as are imposed on the Port Authority pursuant to this Agreement. When requested to do so by the City, the Port Authority shall provide or cause to be provided to the City Certificates of Insurance with respect to such insurance coverages or such other evidence of insurance, as may be reasonably acceptable in form and content to the City.

(j) *Cooperation.* The City and the Port Authority shall do all acts, matters and things as may be reasonably necessary or required to expedite the adjustment of any loss or damage covered by insurance hereunder so as to expedite the release and dedication of proceeds of such insurance in the manner and for the purposes herein contemplated.

(k) *Joint Venture and Limited Liability Company Policies.* If any Contractor required to obtain an insurance policy hereunder is a joint venture or limited liability company, all insurance policies required to be obtained by such Contractor shall specifically name the joint venture or limited liability company as a named insured or loss payee, as applicable. If the Port Authority contracts operations to a third party, the Port Authority will be an additional named insured, or loss payee, as applicable, on any liability policy.

(l) *Other Insurance Obtained by the Port Authority.* If the Port Authority or its Contractors desire coverages in addition to the Required Coverages, the Port Authority and each Contractor shall be responsible for the acquisition and cost of such additional coverages. If the Port Authority or its Contractors obtain any property, liability or other insurance coverages in addition to the Required Coverages ("Additional Coverages"), then the Port Authority or its Contractors shall (i) notify the City as to such Additional Coverages, (ii) provide the City with any documentation relating to the Additional Coverages, including Certificates of Insurance, that the City reasonably requests and (iii) at the City's election, acting reasonably, cause the City and its employees, elected or appointed officials, agents and representatives to be named as additional insureds, loss payees, as applicable, under such Additional Coverages, if that is normally allowed in accordance with good industry practice.

(m) *City's Right to Modify.* The City shall have the right, acting reasonably, to modify, delete, alter or change insurance coverage requirements set forth in Section 13.1 and this Section 13.2, with the consent of the Port Authority, which shall not be unreasonably withheld. Notwithstanding anything to the contrary herein, (i) any change to the types or limits of contractually required insurance coverage shall be subject to mutual agreement of the Parties, and (ii) if any insurance (including the limits or deductibles thereof) required to be maintained

under this Agreement shall not be available at commercially reasonable rates, the Port Authority shall have the right to request that the City consent to waive such requirement and the City shall not unreasonably withhold, condition or delay such consent. Any such waiver shall be effective only so long as such insurance shall not be available at commercially reasonable rates, provided that during the period of such waiver, the Port Authority maintains or causes to be maintained the maximum amount of such insurance otherwise available at commercially reasonable rates.

(n) *Commercial Availability.* To the extent any of the Required Coverages or additional requirements hereunder are not available on a commercially reasonable basis, the Port Authority shall obtain insurance that is available on a commercially reasonable basis that best approximates the Required Coverages or additional requirements hereunder, but said substitute coverage shall, at the City's request, be subject to review of an independent insurance consultant, and such independent insurance consultant shall have delivered to the City its opinion to the effect that the substitute coverages meet the above-stated criteria.

**Section 13.3. Insurance and Condemnation Proceeds.** The Port Authority will cause the Indenture to remain in effect for the full Term. The Port Authority will comply with the requirements of the Indenture with respect to the application of insurance and condemnation proceeds.

## **ARTICLE 14**

**[RESERVED]**

## **ARTICLE 15**

### **DELAY EVENTS & VIOLATIONS OF RESTRICTIVE COVENANT**

#### **Section 15.1. Delay Events.**

(a) If the Port Authority is affected by a Delay Event, it shall give notice as soon as practicable but in no event later than Five (5) Business Days following the date on which it first became aware of such Delay Event and the resulting delay to the City (provided that in the case of such Delay Event being a continuing cause of delay, only one notice shall be necessary), which notice shall include (i) a statement of which Delay Event the claim is based upon, (ii) details of the circumstances from which the delay arises and (iii) an estimate of the delay in the performance of obligations under this Agreement attributable to such Delay Event and information in support thereof, if known at that time. The City shall, after receipt of any such notice, be entitled by notice to require the Port Authority to provide such further supporting particulars as the City may reasonably consider necessary.

(b) The Port Authority shall notify the City within Five (5) Business Days following the date on which it first became aware that a Delay Event has ceased.

(c) Subject to the Port Authority giving the notice required in Section 15.1(a), a Delay Event shall excuse the Port Authority from whatever performance is prevented by the Delay Event referred to in such notice for such appropriate number of Days as the City and the

Port Authority jointly determine, each acting reasonably. If the City and the Port Authority cannot agree upon the period of extension, then either Party shall be entitled to refer the matter to the dispute resolution procedure in Article 19. This Section 15.1(c) shall not excuse the Port Authority from the performance and observance under this Agreement of all obligations and covenants not affected by the Delay Event. Notwithstanding the occurrence of a Delay Event, the Port Authority shall continue its performance and observance under this Agreement of all of its obligations and covenants to the extent that it is reasonably able to do so and shall use its reasonable efforts to minimize the effect and duration of the Delay Event. Nothing herein shall permit or excuse noncompliance with a change to applicable Laws.

(d) Except as provided in the immediately following sentence, if a Delay Event occurs that has the effect of causing physical damage or destruction to a material part of the Parking System that results in the Parking System being substantially unavailable for the provision of Parking Services and such effect continues for a period in excess of One Hundred Twenty (120) Days (continuous or non-continuous within a Three Hundred Sixty (360)-day period) and has a Material Adverse Effect, or if insurance policies payable (or that should have been payable but for the breach of an obligation to take out and maintain such insurance policy by the Port Authority) or condemnation or other similar proceeds are insufficient to restore the Port Authority to the same economic position as it would have been in the absence of such event, then, notwithstanding Section 2.1, the Port Authority shall have the right to extend the Term for a period that would be sufficient so to compensate the Port Authority and to restore it to the same economic position as it would have been in had such Delay Event not occurred (a “Delay Event Remedy”); provided, however, in no event shall the Term be extended: (i) with regard to the On-Street Parking System, or (ii) such that the Term, after taking into account such extension, would (y) subject the Port Authority or the City to a leasehold tax, conveyance fee or similar charge under applicable Law, or (x) otherwise violate any applicable Law.

(e) If the Port Authority elects to exercise the right to the Delay Event Remedy, the Port Authority shall give notice (“Delay Event Notice”) to the City within five (5) Business Days following the date on which the Port Authority first became aware of its right to the Delay Event Remedy occurring setting forth (i) the details of the Delay Event and its effect on either causing physical damage or destruction to the Parking System that results in the Parking System being substantially unavailable for the provision of Parking Services or suspending the collection of Parking Fees at the Parking System, (ii) the amount claimed as compensation to restore the Port Authority to the same economic position as it would have been in had such Delay Event not occurred (including the details of the calculation thereof) and (iii) the details of the relationship between such compensation and the Delay Event Remedy that it proposes. The City shall, after receipt of the Delay Event Notice, be entitled by notice to require the Port Authority to provide such further supporting particulars as the City may reasonably consider necessary. If the City wishes to dispute the occurrence of a Delay Event or the Delay Event Remedy claimed in the Delay Event Notice, the City shall give notice to dispute (the “Delay Event Dispute Notice”) to the Port Authority within Thirty (30) Days following the date of receipt of the Delay Event Notice stating the grounds for such dispute, and if neither the Delay Event Notice nor the Delay Event Dispute Notice has been withdrawn within Thirty (30) Days following the date of receipt of the Delay Event Dispute Notice by the Port Authority, the matter shall be submitted to the dispute resolution procedure in Article 19.

**Section 15.2. Notice of Violation of Restrictive Covenant.** Except as provided elsewhere in this Agreement, if the City violates the Restrictive Covenant, the Port Authority shall give notice (the “RC-Notice”) to the City within Thirty (30) Days following the date on which the Port Authority first became aware of the violation of the Restrictive Covenant setting forth: (i) the nature of the violation of the Restrictive Covenant and, if applicable, the one or more Material Adverse Effects that caused the violation of the Restrictive Covenant; and (ii) if any specified Material Adverse Effect arose under clause (c) or (d) of the first sentence of the definition of Material Adverse Effect, the methodology and calculation used in determining the existence of that Material Adverse Effect; provided, however, that the failure by the Port Authority to timely deliver the RC-Notice shall not limit its remedies hereunder, except to the extent such failure materially prejudices the City, and in any such case such remedies or amount shall only be limited or reduced to the extent of such prejudice.

**Section 15.3. Restrictive Covenant Dispute.** If the City wishes to dispute the occurrence of any alleged violation of the Restrictive Covenant or amount of damage or Loss to the Parking Revenue set forth in the RC-Notice, then the City shall give notice of dispute (the “RC-Dispute Notice”) to the Port Authority within Thirty (30) Days following the date of receipt of the RC-Notice stating the grounds for such dispute. If the RC-Dispute Notice has not been withdrawn within Thirty (30) Days following the date of receipt of the RC-Dispute Notice by the Port Authority, the matter shall be submitted to the dispute resolution procedure set forth in Article 19. This Section 15.3 shall not prohibit either Party from seeking injunctive relief in accordance with Section 7.9 or Section 15.4.

**Section 15.4. Remedies for Violation of Restrictive Covenant.** After giving the City the RC-Notice under Section 15.2, the Port Authority, the Trustee, or Bondholder Representative, after consultation with the Advisory Committee, in addition to exercising any remedies available to it under Section 16.2 upon the occurrence of a City Default and without waiving or forfeiting its right also to exercise any such remedies, immediately and without any required additional notice or the elapsing of any cure period, except for a cure period of three Business Days during which the City may institute curative action acceptable to the Port Authority, Trustee and Bondholder Representative, may seek injunctive or other equitable relief to enjoin the City from taking or from omitting to take the actions or to reverse or rescind any previous actions or omissions that caused the Material Adverse Effect specified in the RC Notice. If any curative action proposed by the City requires approval by the Port Authority or the Advisory Committee, at the City’s request the Port Authority will convene an emergency meeting of its board of directors or the Advisory Committee as soon as reasonably possible and will not seek injunctive or other equitable relief prior to convening such meetings. If any curative actions of the City acceptable to the Port Authority, Trustee and Bondholder Representative require City Council approval, the Port Authority, Trustee or Bondholder Representative shall wait up to fourteen (14) days to file for injunctive or equitable relief in order to provide the City an opportunity to obtain the approval of City Council. Notwithstanding the foregoing cure and approval periods, the Port Authority, Trustee or Bondholder Representative may seek immediate relief (1) if the Material Adverse Effect will be caused by a closure of all or part of the Parking System and that is scheduled to occur prior to the expiration of the cure period or (2) if any Advisory Committee action required to effectuate the proposed cure is not possible due to the failure of the City Manager or his or her designee to attend the Advisory Committee meeting called to consider that action. The City may cause a

Material Adverse Effect and the related violation of the Restrictive Covenant to be cured or deemed cured by: (i) reversing or rescinding the previous actions that caused the Material Adverse Effect specified in the RC-Notice; or (ii) taking other actions that result in projected debt service coverage returning to the level existing prior to the Material Adverse Effect subject to the reasonable approval of the Port Authority and the Bondholder Representative, with such actions potentially including (A) reducing the amount of Parking Bonds outstanding by redirecting Available Revenues, (B) pledging additional revenues to the Parking Bonds, (C) extending the Term and taking all actions necessary to cooperate in the refinancing of the Parking Bonds, or (D) other means; or (iii) some combination of the actions specified in clauses (i) and (ii), provided that the agreement described in clause (ii) shall be required even if the curative actions described in clause (i) are taken if and to the extent that those curative actions do not fully reverse or cure the specified damage or reduction in debt service coverage suffered prior to the curative actions specified in clause (i).

## ARTICLE 16

### DEFAULTS

#### Section 16.1. Default by the Port Authority.

(a) *Events of Default.* The occurrence of any one or more of the following events during the Term shall constitute a “Port Authority Default” under this Agreement:

(i) subject to Section 16.1(b)(i), if the Port Authority materially fails to comply with, perform or observe any material obligation, covenant, agreement, term or condition in this Agreement, and such failure continues unremedied for a period of Ninety (90) Days following notice thereof (giving particulars of the failure in reasonable detail) from the City to the Port Authority or for such longer period as may be reasonably necessary to cure such failure, provided, in the latter case, that the Port Authority has demonstrated to the reasonable satisfaction of the City, that (A) it is proceeding, and will proceed, with all due diligence to cure or cause to be cured such failure, (B) its actions can be reasonably expected to cure or cause to be cured such failure within a reasonable period of time acceptable to the City, and (C) such failure is in fact cured within such period of time;

(ii) if this Agreement or all or any portion of the Port Authority Interest is Transferred in contravention of Article 17 and such Transfer or action continues unremedied for a period of ten (10) Business Days following notice thereof from the City to the Port Authority;

(iii) if the Port Authority materially fails to comply with the requirements or directives of a final award in a matter submitted to dispute resolution in accordance with Article 19, and such failure continues unremedied for a period of Thirty (30) Days following notice thereof from the City to the Port Authority, or for such longer period as may be reasonably necessary to cure such failure, provided, in the latter case, that the Port Authority has demonstrated to the reasonable satisfaction of the City, that (A) it is proceeding, and will proceed, with all due diligence to cure or cause to be cured such

failure, (B) its actions can be reasonably expected to cure or cause to be cured such failure within a reasonable period of time acceptable to the City, and (C) such failure is in fact cured within such period of time;

(iv) if the Port Authority (A) admits, in writing, that it is unable to pay its debts as such become due, if such admission materially adversely affects Parking System Operations, (B) makes an assignment for the benefit of creditors, if such assignment materially adversely affects Parking System Operations, (C) files a voluntary petition under Title 9 of the U.S. Code, or if such petition is filed against it and an order for relief is entered, or if the Port Authority files any petition or answer seeking, consenting to or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future U.S. Bankruptcy Code or any other present or future applicable Law, or shall seek or consent to or acquiesce in or suffer the appointment of any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of the Port Authority, or of all or any substantial part of its properties (in each case, to the extent applicable to a political subdivision), or (D) takes any action in furtherance of any action described in this Section 16.2(a)(iv); or if within Ninety (90) Days after the commencement of any proceeding against the Port Authority seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future U.S. Bankruptcy Code or any other present or future applicable Law, such proceeding has not been dismissed, or if, within Ninety (90) Days after the appointment, without the consent or acquiescence of the Port Authority, of any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of the Port Authority or of all or any substantial part of its properties (in each case, to the extent applicable to a political subdivision), such appointment has not been vacated or stayed on appeal or otherwise, or if, within Ninety (90) Days after the expiration of any such stay, such appointment has not been vacated;

(v) the Port Authority takes any direct action that causes the interest on the Tax Exempt Parking Bonds to be included in gross income for federal income tax purposes. Notwithstanding the foregoing, a Port Authority Default shall not include any failure to perform its obligations under this Agreement to the extent such failure is the result of a Force Majeure.

(vi) if a levy under execution or attachment has been made against all or any part of the Parking System or any interest therein as a result of any Encumbrance (other than a Permitted Port Authority Encumbrance) created, incurred, assumed or suffered to exist by the Port Authority or any Person claiming through it, and such execution or attachment has not been vacated, removed or stayed by court order, bonding or otherwise within Sixty (60) Days after the Port Authority becomes aware of such levy, unless such levy resulted from actions or omissions of the City or its Representatives;

(vii) the Port Authority repudiates in writing any of its material obligations under this Agreement. Notwithstanding the foregoing, a Port Authority Default shall not include any failure to perform its obligations under this Agreement to the extent such failure is the result of a Force Majeure; or

(viii) the Port Authority fails to cause the Operator or Asset Manager to cure and correct any material deficiencies in compliance with the Operating Standards within Sixty (60) Days of written notice thereof by the City.

(b) *Remedies of the City Upon Port Authority Default.* Upon the occurrence, and during the continuance, of a Port Authority Default, the City may, by notice to the Port Authority and Trustee, declare the Port Authority to be in default and may, subject to the provisions of Article 18 and Article 19, do any or all of the following as the City, in its discretion, shall determine:

(i) if the Port Authority defaults under Section 16.1(a)(viii), then the City may, upon notice to Port Authority and without terminating this Agreement, cure any such delinquency and correct any such deficiencies and to the extent moneys are available to the Port Authority pursuant to the agreements with the Operator or Asset Manager, the Port Authority shall reimburse the City any and all costs related to such cure and/or correction. If such failure results in an Emergency, then the City may immediately cure any such delinquency and correct any such deficiencies after endeavoring to provide the Port Authority notice appropriate under the circumstances (which may include telephone notice) and the Port Authority shall reimburse the City any and all costs related to such cure and/or correction.

(ii) Subject to the restrictions of the Indenture for so long as Parking Bonds are outstanding, the City may terminate this Agreement by giving Thirty (30) Days' prior notice to the Port Authority upon the occurrence of (A) a Port Authority Default that consists of a failure to comply with, perform or observe any maintenance obligation under this Agreement in accordance with the Operating Standards if such Port Authority Default creates a material danger to the safety of the Parking System Operations or a material impairment to the Parking System or to the continuing use of the Parking System or (B) any other Port Authority Default; provided, however, that the Port Authority shall be entitled to cure a Port Authority Default pursuant to Section 16.1(a)(i) by (i) agreeing within such Thirty (30) Day period to pay any Losses sustained as a result of such Port Authority Default, and (ii) providing the City with a written work plan within such Thirty (30) Day period outlining the actions by which the Port Authority will ensure future compliance with either (x) the obligation, covenant, agreement, term or condition in this Agreement or (y) the requirements or directives of the issued final award in accordance with Article 19 that the Port Authority failed to perform or observe, which work plan is Approved by the City, but any failure of the Port Authority to comply in any material respect with such Approved work plan following Thirty (30) Days' notice of such failure from the City to the Port Authority shall be deemed to be a Port Authority Default described in Section 16.1(a)(i) and the entitlement of the Port Authority to cure such Port Authority Default by the delivery of an Approved work plan shall not apply thereto;

(iii) if the Port Authority Default is by reason of the failure to pay any monies to another Person, the City may (without obligation to do so), upon Five (5) Days notice to the Port Authority, make payment on behalf of the Port Authority of such monies unless such non-payment is due to a bona fide dispute, and any amount so paid by the



City shall be payable by the Port Authority to the City within Three (3) Business Days after demand therefor;

(iv) the City may cure the Port Authority Default (but this shall not obligate the City to cure or attempt to cure a Port Authority Default or, after having commenced to cure or attempted to cure a Port Authority Default, to continue to do so), and all costs and expenses reasonably incurred by the City in curing or attempting to cure the Port Authority Default, shall be payable by the Port Authority to the City within Three (3) Business Days after written demand therefor; provided, however, that (A) the City shall not incur any liability to the Port Authority for any act or omission of the City or any other Person in the course of remedying or attempting to remedy any Port Authority Default and (B) the City's cure of any Port Authority Default shall not affect the City's rights against the Port Authority by reason of the Port Authority Default;

(v) the City may seek to recover its Losses arising from such Port Authority Default and any amounts due and payable under this Agreement and, in connection therewith, exercise any recourse available to any Person who is owed damages or a debt;

(vi) with respect to those Port Authority Defaults that entitle the City to terminate this Agreement pursuant to Section 16.1(b)(i), the City may terminate the Port Authority's right to use, operate, maintain and rehabilitate the Parking System and the Port Authority's right to collect and retain Parking Revenue, and in such event, the City or the City's agents and servants may immediately or at any time thereafter take possession and control of the Parking System, by any available action under law or proceeding at law or in equity, and with or without terminating this Agreement, and undertake any and all of the Parking System Operations; provided, however, that no such action by the City shall be construed as an election on its part to terminate this Agreement unless a notice of such intention is given to the Port Authority; and

(vii) the City may seek specific performance, injunction, or exercise any of its other rights and remedies provided for hereunder or at law or equity, it being acknowledged that damages may be an inadequate remedy for a Port Authority Default.

#### **Section 16.2. Defaults by the City.**

(a) *Events of Default.* The occurrence of any one or more of the following events during the Term shall constitute a "City Default" under this Agreement:

(i) if the City materially fails to comply with or observe any material obligation, covenant, agreement, term or condition in this Agreement and such failure continues unremedied for a period of Ninety (90) Days following notice thereof (giving particulars of the failure in reasonable detail) from the Port Authority to the City or for such longer period as may be reasonably necessary to cure such failure, provided, in the latter case, that the City has demonstrated to the reasonable satisfaction of the Port Authority, that (A) it is proceeding with all due diligence to cure or cause to be cured such failure, and (B) its actions can be reasonably expected to cure or cause to be cured

such failure within a reasonable period of time acceptable to the Port Authority, and (C) such failure is in fact cured within such period of time;

(ii) if the City materially fails to comply with the requirements or directives of a final award in a matter submitted to dispute resolution in accordance with Article 19 and such default continues unremedied for a period of Thirty (30) Days following notice thereof from the Port Authority to the City, or for such longer period as may be reasonably necessary to cure such failure, provided, in the latter case, that the City has demonstrated to the satisfaction of the Port Authority, acting reasonably, that (A) it is proceeding, and will proceed, with all due diligence to cure or cause to be cured such failure, (B) its actions can be reasonably expected to cure or cause to be cured such failure within a reasonable period of time acceptable to the Port Authority, acting reasonably and (C) such failure is in fact cured within such period of time;

(iii) if a levy under execution or attachment has been made against all or any part of the Parking System or the Port Authority Interest as a result of any Encumbrance (other than a Permitted City Encumbrance) created, incurred, assumed or suffered to exist by the City or any Person claiming through it, and such execution or attachment has not been vacated, removed or stayed by court order, bonding or otherwise within a period of Sixty (60) Days, unless such levy resulted from actions or omissions of the Port Authority or its Representatives or if all or a material part of the Parking System shall be subject to a condemnation or similar taking by the City or any agency thereof;

(iv) if the City (A) admits, in writing, that it is unable to pay its debts as such become due, if such admission materially adversely affects Parking System Operations or the Port Authority Interest, (B) makes an assignment for the benefit of creditors, if such assignment materially adversely affects Parking System Operations or the Port Authority Interest, (C) files a voluntary petition under Title 9 of the U.S. Code, or if such petition is filed against it and an order for relief is entered, or if the City files any petition or answer seeking, consenting to or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future U.S. Bankruptcy Code or any other present or future applicable Law, or shall seek or consent to or acquiesce in or suffer the appointment of any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of the City, or of all or any substantial part of its properties (in each case, to the extent applicable to a municipality), or (D) takes any action in furtherance of any action described in this Section 16.2(a)(iv); or if within Ninety (90) Days after the commencement of any proceeding against the City seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future U.S. Bankruptcy Code or any other present or future applicable Law, such proceeding has not been dismissed, or if, within Ninety (90) Days after the appointment, without the consent or acquiescence of the City, of any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of the City or of all or any substantial part of its properties (in each case, to the extent applicable to a municipality), such appointment has not been vacated or stayed on appeal or otherwise, or if, within Ninety (90) Days after the expiration of any such stay, such appointment has not been vacated;

(v) the City repudiates in writing any of its material obligations under this Agreement. Notwithstanding the foregoing, a City Default shall not include any failure to perform its obligations under this Agreement (other than payment obligations) to the extent such failure is the result of a Force Majeure;

(vi) the City takes any direct action that causes the interest on the Tax Exempt Parking Bonds to be included in gross income for federal income tax purposes; and

(vii) if this Agreement is Transferred in contravention of Article 17 and such Transfer or action continues unremedied for a period of Ten (10) Business Days following notice thereof from the Port Authority to the City.

Except for Section 16.2(a)(vi), a City Default shall not include a failure of the City to perform its obligations under this Agreement to the extent such failure is the result of a Force Majeure.

(b) *Remedies of Port Authority Upon City Default.* Upon the occurrence, and during the continuance, of a City Default, the Port Authority may by notice to the City declare the City to be in default and may, subject to the provisions of Article 19 and Section 15.4, do any or all of the following as the Port Authority, in its discretion, shall determine:

(i) Subject to the restrictions of the Indenture for so long as Parking Bonds are outstanding, the Port Authority may terminate this Agreement by giving Ninety (90) Days' prior notice to the City; provided, however, that the City shall be entitled to cure a City Default pursuant to Section 16.2(a)(i) by (i) agreeing within such Ninety (90)-Day period to pay any Losses sustained as a result of such City Default or (ii) providing the Port Authority with a written work plan within such Ninety (90)-Day period outlining the actions by which the City will ensure future compliance with either (x) the obligation, covenant, agreement, term or condition in this Agreement or (y) the requirements or directives of the issued final award in accordance with Article 19 that the City failed to perform or observe, which work plan is approved by the Port Authority (which approval shall not be unreasonably withheld, delayed or conditioned), but any failure of the City to comply in any material respect with such approved work plan following Thirty (30) Days' notice of such failure from the Port Authority to the City shall be deemed to be a City Default described in Section 16.2(a)(i) and the entitlement of the City to cure such City Default by the delivery of an approved work plan shall not apply thereto and upon such termination the City shall be obligated to assume the Port Authority's obligations to pay the debt service on the Parking Bonds (subject to any right of the holders of the Parking Bonds to request additional security pursuant to the Indenture), or pay to the Port Authority the amount necessary to pay, refund or defease the Parking Bonds;

(ii) the Port Authority may seek specific performance, injunction, or exercise any of its other rights and remedies provided for hereunder or at law or equity, it being acknowledged that damages are an inadequate remedy for a City Default;

(iii) the Port Authority may seek to recover its Losses and any amounts due and payable under this Agreement and, in connection therewith, exercise any recourse available to any Person who is owed damages or a debt; and

(iv) the Port Authority may return the Parking System to the City upon payment by the City of a sum sufficient to pay or defease all outstanding Parking Bonds and any reasonable unpaid expenses of the Port Authority.

**Section 16.3. Consequences of Termination or Reversion.** Upon the termination or expiration of this Agreement, notwithstanding any claims the Parties may have against each other and subject to Section 16.1(b)(v), Section 16.2(b)(iii) and Article 19, the following provisions shall apply:

(a) the Port Authority shall, without action whatsoever being necessary on the part of the City, surrender, transfer and deliver to the City the Parking System (including all improvements to the Parking System) and all tangible and intangible personal property of the Port Authority (including inventories) that is included in the Parking System and used in connection with the Parking System Operations, in good order, condition and repair (reasonable wear and tear excepted), determined reasonably in accordance with the then applicable Operating Standards, free and clear of all Encumbrances other than (w) Permitted Port Authority Encumbrances set forth in clause (iv), and clause (vii) as it pertains to clauses (iv) and (vii) of the definition of that term, (x) Permitted City Encumbrances, (y) those created by or suffered to exist or consented to by the City or any Person claiming through it, and (z) with respect to any property added to the Parking System after the Time of Closing, title defects affecting such property in existence on the date such property is added to the Parking System; provided that the Port Authority may satisfy any obligation to surrender rights to proprietary intellectual property of the Port Authority by extending to the City on reasonable terms an irrevocable non-exclusive license to use such proprietary intellectual property in connection with the Parking System;

(b) the Port Authority hereby waives any notice now or hereafter required by Law with respect to transfer of the Parking System on the Reversion Date;

(c) the City shall, as of the Reversion Date, assume full responsibility for the Parking System Operations, and as of such date, the Port Authority shall have no liability or responsibility for Parking System Operations occurring after such date;

(d) the Port Authority shall be liable, to the extent of available Parking Revenues, for all costs, expenses and other amounts for which it is liable or responsible hereunder incurred up to but not including the Reversion Date, and the City shall be liable for all costs, expenses and amounts incurred in connection with the Parking System Operations on and after the Reversion Date;

(e) the City shall have the option by providing notice to the Port Authority of requiring that the Port Authority assign, without warranty or recourse to the Port Authority, to the fullest extent permitted by Authorizations and applicable Law, all of its right, title and interest in, to and under (in each of the following cases, to the extent assignable) all or any of the Operating Agreements then in effect and all Authorizations to the City or its nominee for the

remainder of their respective terms; provided, however, that if the City exercises such option, the right, title and interest of the Port Authority in, to and under such Operating Agreements and Authorizations shall be assigned to the City or its nominee as of the Reversion Date and the Port Authority shall surrender the Parking System to the City and shall cause all Persons claiming under or through the Port Authority to do likewise, and the City shall assume in writing, pursuant to an assumption agreement satisfactory to the Port Authority, the Port Authority's obligations under the Operating Agreements that arise in respect of, or relate to, any period of time falling on and after the Reversion Date; provided further that if the City does not exercise such option, the Port Authority shall take such steps as are necessary to terminate the Asset Management Agreement and Operating Agreements to the extent permitted thereunder and in accordance with the terms thereof;

(f) the Port Authority, at its sole cost and expense, shall promptly deliver to the City copies of all records and other documents relating to the Parking Revenue that are in the possession of the Port Authority or its Representatives and all other then existing records and information relating to the Parking System as the City, acting reasonably, may request;

(g) the Port Authority shall execute and deliver to the City a transfer of title documents and other instruments reasonably required by the City to evidence such termination;

(h) the Port Authority shall assist the City in such manner as the City may require to ensure the orderly transition of control, operation, management, maintenance and rehabilitation of the Parking System, and shall, if appropriate and if requested by the City, take all steps as may be necessary to enforce the provisions of the Operating Agreements pertaining to the surrender of the Parking System;

(i) the City and the Port Authority shall make appropriate adjustments, including adjustments relating to any Operating Agreements assigned to the City, to Parking Fees and other similar charges collected on and after the Reversion Date that are incurred prior to the Reversion Date, and utilities, and any adjustments and payment therefor shall be made by the appropriate Party on the Reversion Date, but shall be subject to readjustment if necessary because of error in matters such as information, calculation, payments and omissions that are identified within the period of One Hundred Eighty (180) Days following the Reversion Date; provided, however, that the City and the Port Authority acknowledge that certain adjustments or readjustments may have to be made when a third party provides to the City or the Port Authority a final adjustment amount in respect of a matter, and for such matters the adjustment and readjustment date shall each be correspondingly extended;

(j) the Port Authority shall, in accordance with the Indenture, and without action whatsoever being necessary on the part of the City, transfer or cause to be immediately wired or otherwise delivered to the City, any and all amounts on deposit in the Capital Reserve Fund and any Debt Service Reserve Fund or Operating Reserve Fund related to the Parking Bonds to the extent such amounts are free and clear of any pledge to, or lien for the benefit of, the secured parties under the Indenture, subject to Section 3.16 hereof; and

(k) all plans, drawings, specifications and models prepared in connection with construction at the Parking System and in the Port Authority's possession and all "as-built"

drawings shall become the sole and absolute property of the City, and the Port Authority shall promptly deliver to the City all such plans, drawings, specifications and models and all such as-built drawings (but may keep copies of those plans, drawings, specifications and models that were developed by the Port Authority or its Representatives).

This Section 16.3 shall survive the expiration or any earlier termination of this Agreement.

## **ARTICLE 17**

### **RESTRICTIONS ON TRANSFERS**

#### **Section 17.1. Transfers by the Port Authority.**

(a) The Port Authority shall not Transfer, or otherwise permit the Transfer of, any or all of the Port Authority Interest in the Off-Street Parking System to or in favor of a Transferee (other than to the Trustee in accordance with the Indenture), unless the following conditions are met:

(i) the proposed Transferee enters into an agreement with the City in form and substance reasonably satisfactory to the City wherein the Transferee acquires the rights and assumes the obligations of the Port Authority and agrees to perform and observe all of the obligations and covenants of the Port Authority with respect to the Off-Street Parking System under this Agreement; or

(ii) the Transferee is a secured lender in connection with the financing of any future additions to the Off-Street Parking System; and

(iii) the Port Authority shall have offered to the City a right of first refusal whereby the City can purchase the Off-Street Parking System for the lesser of (x) the principal amount of the outstanding Parking Bonds attributable to the Off-Street Parking Facilities, plus \$1, or (y) the purchase price that an independent third party was offering for the acquisition of the Off-Street Parking Facilities.

(b) After the Parking Bonds are no longer outstanding the Port Authority Interest in the Off-Street Parking System may be transferred to someone other than a political subdivision or organization described in Section 501(c)(3) of the Internal Revenue Code only if the City does not object within thirty days after written notice, which objection must be in writing and based on operational factors, including the transferee's ability to perform the Port Authority's obligations under this Agreement.

(c) No Transfer of all or any of the Port Authority Interest in the Off-Street Parking System (except a Transfer to the Trustee, or its designee, in accordance with the Indenture or any leasehold mortgage created pursuant to the Indenture) shall be made or have any force or effect if, at the time of such Transfer there has occurred a Port Authority Default that has not been remedied or an event that with the lapse of time, the giving of notice, or otherwise would constitute a Port Authority Default (other than a default described in Section 16.1(a)(vi) so long

as the holder of any Encumbrance has not taken any action against the Parking System to execute and collect on such Encumbrance).

(d) For the purposes of paragraphs (a) and (b) above, approval of a proposed Transferee may not be unreasonably withheld by City.

**Section 17.2. Assignment by the City.** The City shall have the right to Transfer any or all of the City's interest in the Available Revenues, and its reversionary interest in the Parking System provided that any such Transfer by the City shall not materially limit or reduce any of the Port Authority's other rights, benefits, remedies or privileges under this Agreement nor shall it materially impair the City's ability to meet its obligation under this Agreement, and, provided further, any such Transfer shall be subject to the rights and Encumbrances of the Port Authority.

## **ARTICLE 18 LENDERS**

**Section 18.1. Leasehold Mortgages.** The Port Authority shall have the right, at its sole cost and expense, to grant one or more Leasehold Mortgages, secured by either or both of the Port Authority Interest or Parking Revenue if at the time any such Leasehold Mortgage is executed and delivered to the Leasehold Mortgagee (i) no Port Authority Default exists and (ii) the Leasehold Mortgage contains provisions substantially similar to the following terms and conditions, provided, however, that in the event of any conflict between the provisions of this Article 18 and the provisions of the Leasehold Mortgage, the provisions of the Leasehold Mortgage shall control:

(a) Leasehold Mortgage may not cover any property of, or secure any debt issued or guaranteed by, any Person other than the Port Authority, but may cover any cash reserves or deposits held in the name of the Port Authority;

(b) no Person other than an Institutional Lender shall be entitled to the benefits and protections accorded to a Leasehold Mortgagee in this Agreement; provided, however, that lessors and lenders to the Port Authority (and lenders to a Leasehold Mortgagee that is a lessor) may be Persons other than Institutional Lenders so long as any Leasehold Mortgage securing the loans made by such Persons is held by the Trustee;

(c) no Leasehold Mortgage or other instrument purporting to mortgage, pledge, encumber, or create a lien, charge or security interest on or against any or all of the Port Authority Interest shall extend to or affect the fee simple interest in the Parking System, the City's interest hereunder or the City's reversionary interests and estates in and to the Parking System or any part thereof; in addition, any foreclosure or termination of this Agreement by the City shall simultaneously terminate the Leasehold Mortgage;

(d) Except as otherwise provided herein, the City shall have no liability whatsoever for payment of the principal sum secured by any Leasehold Mortgage, or any interest accrued thereon or any other sum secured thereby or accruing thereunder, and the Leasehold Mortgagee shall not be entitled to seek any damages or other amounts against the City for any or all of the same;

(e) the City shall have no obligation to any Leasehold Mortgagee in the enforcement of the rights and remedies of the City under this Agreement or as provided by Law, except as expressly set forth in this Agreement or in any agreement with the Leasehold Mortgagee and unless such Leasehold Mortgagee has provided the City with notice of its Leasehold Mortgage in accordance with the Leasehold Mortgagee Notice Requirements;

(f) each Leasehold Mortgage shall provide that if the Port Authority is in default under the Leasehold Mortgage and the Leasehold Mortgagee gives notice of such default to the Port Authority, then the Leasehold Mortgagee shall give notice of such default to the City;

(g) subject to the terms of this Agreement, all rights acquired by a Leasehold Mortgagee under any Leasehold Mortgage shall be subject and subordinate to all of the provisions of this Agreement and to all of the rights of the City hereunder;

(h) notwithstanding any enforcement of the security of any Leasehold Mortgage, the Port Authority shall remain liable to the City for the payment of all sums owing to the City under this Agreement and the performance and observance of all of the Port Authority's covenants and obligations under this Agreement but solely from Parking Revenues; and

(i) a Leasehold Mortgagee shall not, by virtue of its Leasehold Mortgage, acquire any greater rights or interest in the Parking System than the Port Authority has at any applicable time under this Agreement, and each Leasehold Mortgagee, the City and the Port Authority shall enter into a consent agreement in a form acceptable to all Parties; provided that such consent agreement shall be in a customary form and shall include the rights and protections provided to the Leasehold Mortgagees in this Agreement.

**Section 18.2. Notices and Payments to Leasehold Mortgagees.** Whenever a Leasehold Mortgage exists as to which the City has been provided notice by the holder thereof in accordance with the Leasehold Mortgagee Notice Requirements, the City shall, simultaneously with providing the Port Authority any required notice under this Agreement, provide a copy of such notice to such Leasehold Mortgagee, and no such notice to the Port Authority shall be effective against the Leasehold Mortgagee until a copy thereof is duly provided to such Leasehold Mortgagee. With respect to a Leasehold Mortgage regarding which the City has been provided notice in accordance with the Leasehold Mortgagee Notice Requirements, unless the Leasehold Mortgagee has otherwise advised the City in writing, all payments to the Port Authority to be made by the City under this Agreement shall be made to the institution acting as the collateral agent or depository under the financing secured by such Leasehold Mortgage.

**Section 18.3. Leasehold Mortgagee's Right to Cure.** The Leasehold Mortgagee shall have the right to cure or cause to be cured any such Port Authority Default within a period of Sixty (60) Days after notice thereof, provided further that if a Leasehold Mortgagee's right to cure a Port Authority Default has not expired, and the Leasehold Mortgagee is acting diligently to cure such Port Authority Default in accordance with this Section 18.3, then the City shall not exercise its right to terminate this Agreement by reason of such Port Authority Default. Subject to the restrictions set forth Section 18.4, the City shall accept any such performance by a Leasehold Mortgagee as though the same had been done or performed by the Port Authority. Any payment to be made or action to be taken by a Leasehold Mortgagee hereunder as a



prerequisite to keeping this Agreement in effect shall be deemed properly to have been made or taken by the Leasehold Mortgagee if such payment is made or action is taken by a nominee, agent or assignee of the rights of such Leasehold Mortgagee. Any exercise of the Leasehold Mortgagee's rights to cure hereunder shall not result in the assumption by such Leasehold Mortgagee of the Port Authority's obligations hereunder. Any amounts expended by the Leasehold Mortgagee to cure any Port Authority Default may be reimbursed from Parking Revenues pursuant to the terms of the Indenture.

#### **Section 18.4. Rights of the Leasehold Mortgagee.**

(a) Subject to the provisions of this Agreement, a Leasehold Mortgagee may (i) enforce its Leasehold Mortgage in any lawful way, or (ii) acquire the Port Authority Interest in any lawful way. Upon foreclosure of (or without foreclosure, upon exercise of any contractual or statutory power of sale under such Leasehold Mortgage or a deed in lieu) and subject to the provisions of Article 17 (applied to the Leasehold Mortgagee as if it were the Port Authority, except that Section 17.1(c) will not apply), a Leasehold Mortgagee may Transfer the Port Authority Interest; provided, however, that no Transfer by a Leasehold Mortgagee shall be effective unless the Transfer is made in accordance with Section 17.1. Any Person to whom the Leasehold Mortgagee Transfers the Port Authority Interest (including such Leasehold Mortgagee) shall take the Port Authority Interest subject to all of the Port Authority's rights and obligations under this Agreement.

(b) Except as provided in Section 18.3, unless and until a Leasehold Mortgagee (i) forecloses or has otherwise taken ownership of the Port Authority Interest or (ii) has taken possession or control of the Port Authority Interest, whether directly or by an agent as a mortgagee in possession or a receiver or receiver and manager has taken possession or control of the Port Authority Interest by reference to the Leasehold Mortgage, the Leasehold Mortgagee shall not be liable for any of the Port Authority's obligations under this Agreement or be entitled to any of the Port Authority's rights and benefits contained in this Agreement, except by way of security. If the Leasehold Mortgagee itself – or by an agent or a receiver, or a receiver and manager – is the owner, or is in control or possession of, the Port Authority Interest, it shall be bound by all liabilities and obligations of the Port Authority under this Agreement. Once the Leasehold Mortgagee goes out of possession or control of the Port Authority Interest or Transfers the Port Authority Interest to another Person in accordance with the provisions of this Agreement, the Leasehold Mortgagee shall cease to be liable for any of the Port Authority's obligations under this Agreement accruing thereafter and shall cease to be entitled to any of the Port Authority's rights and benefits contained in this Agreement, except, if the Leasehold Mortgage remains outstanding, by way of security.

#### **Section 18.5. Termination of this Agreement; New Agreement.**

(a) Without prejudice to the rights of a Leasehold Mortgagee under Section 18.3, if the City desires to terminate this Agreement prior to the expiration of the Term due to a Port Authority Default (in which case the City shall notify the Leasehold Mortgagee of such desired termination) or if this Agreement is rejected or disaffirmed pursuant to any bankruptcy Law or proceeding or other similar Law or proceedings affecting creditors' rights generally with respect to a bankruptcy proceeding relating to the Port Authority or otherwise, the City agrees

to enter into a new long-term lease and modernization agreement for the Parking System with the Leasehold Mortgagee (or its designee or nominee, provided that such designee or nominee either is controlled by the Leasehold Mortgagee (or by the holders of the Leasehold Mortgage Debt) or is Approved by the City as Transferee under Section 17.1) for the remainder of the original stated Term upon all of the covenants, agreements, terms, provisions and limitations of this Agreement (the "New Agreement"), effective as of the date of such termination, but only on and subject to the satisfaction of all of the following requirements and conditions: (i) such Leasehold Mortgagee commits in writing to the City, in a notice delivered to the City, within Sixty (60) Days after the City delivers the termination notice to Leasehold Mortgagee (or, if later, upon the termination of any cure period granted to the Leasehold Mortgagee pursuant to Section 19.3) or within Sixty (60) Days after the effective date of such rejection or disaffirmance, as the case may be, that the Leasehold Mortgagee (or its designee or nominee) will enter into the New Agreement, which notice is accompanied by a copy of such New Agreement, duly executed and acknowledged by the Leasehold Mortgagee (or its designee or nominee); (ii) the Leasehold Mortgagee (or its designee or nominee) pays or causes to be paid, or makes provision for payment over the remaining Term, from Available Revenues, to the City, at the time of the execution and delivery of the New Agreement, all amounts which, at the time of the execution and delivery thereof, would have been past-due or due and payable in accordance with the provisions of this Agreement but for such termination; (iii) provided the City furnishes a statement or invoice for such costs, the Leasehold Mortgagee pays or causes to be paid, or makes provision for payment, from Available Revenues, to the City all reasonable costs and expenses (including legal fees), Taxes, fees, charges and disbursements paid or incurred by the City in connection with such defaults and termination, the recovery of possession from the Port Authority, and in connection with the preparation, execution and delivery of the New Agreement and related agreements and documents specified in such statement or invoice; and (iv) such Leasehold Mortgagee (or its designee or nominee), at the time of such written request, cures all other defaults, or makes provision for cure of all other defaults, from Parking Revenues, under this Agreement (curable by the payment of money) existing immediately prior to the termination of this Agreement, or, if such defaults cannot be cured by the payment of money, such Leasehold Mortgagee (or its designee or nominee) commits to the City in the New Agreement to proceed both promptly and diligently (subject to the availability of Parking Revenues), upon the execution of the New Agreement, to cure all such other defaults to the extent such defaults are capable of cure by a Person other than the original Port Authority and, if possession is necessary in order to cure such other Port Authority Defaults, to proceed both promptly and diligently (subject to the availability of Parking Revenues) to obtain the possession required to cure any such other defaults (and such cure shall be a covenant in the New Agreement).

(b) Nothing contained in this Section 18.5 shall be deemed to limit or affect the City's interests in and to such Parking System upon the expiration of the Term of the New Agreement.

(c) If the circumstances described in Section 18.5(a) occur, and the City determines, based on the written legal advice of counsel, that termination of this Agreement and the entry into a New Agreement by and between the City and the Leasehold Mortgagee could violate applicable provisions of the Laws of the State of Ohio governing procurement by the City or otherwise, then, in lieu of entering in a New Agreement and in satisfaction of its

obligations under this Section 18.5, the City agrees to enter into an Assignment and Assumption Agreement pursuant to Section 18.8.

**Section 18.6. Recognition of Leasehold Mortgagee.** If there is more than one Leasehold Mortgagee, only that Leasehold Mortgagee, to the exclusion of all other Leasehold Mortgagees, whose notice was earliest received by the City pursuant to the Leasehold Mortgagee Notice Requirements, shall have the rights as a Leasehold Mortgagee under this Article 18, unless such Leasehold Mortgagee has designated in writing another Leasehold Mortgagee to exercise such rights. Such Leasehold Mortgagee may act as agent for a group or syndicate of one or more Institutional Lenders and such Leasehold Mortgagee and Institutional Lenders may freely assign or sell interests and/or participations in the loans to any other Institutional Lender.

**Section 18.7. City's Right to Purchase Leasehold Mortgages.**

(a) If any default by the Port Authority has occurred under a Leasehold Mortgage and has not been cured within applicable cure periods, or any act, condition or event has occurred which would permit a Leasehold Mortgagee to declare all or part of the indebtedness secured by a Leasehold Mortgage to be immediately due and payable (or, in the case of a Leasehold Mortgage that is a lease, to terminate the lease), then the City shall have Thirty (30) Days after the date on which such Leasehold Mortgagee shall serve notice upon the City in writing ("Leasehold Mortgagee's Notice") that such Leasehold Mortgagee intends to commence proceedings to foreclose the Leasehold Mortgage or, in the case of a Leasehold Mortgagee that is a Lessor, to terminate the lease (stating the calculation of the purchase price pursuant to Section 18.7(c)), during which Thirty (30) Day period the City shall have the right and option (the "City's Option") to purchase from all Leasehold Mortgagees their Leasehold Mortgages, upon the terms and subject to the conditions contained in this Section 18.7.

(b) The City's Option shall be exercised by notice served upon the Port Authority and all Leasehold Mortgagees within such Thirty (30) Day period. Time shall be of the essence as to the exercise of the City's Option. If the City's Option is duly and timely exercised, the City shall purchase and all Leasehold Mortgagees shall assign their Leasehold Mortgages to the City (or its designee) on the date which is Sixty (60) Days after the date on which a Leasehold Mortgagee's Notice is served upon the City. The closing shall take place at a mutually convenient time and place.

(c) The purchase price payable by the City shall be equal to the aggregate amounts secured by such Leasehold Mortgages (including principal, interest, fees, and premiums, all other costs, expenses (including attorneys' fees) and any other amounts secured thereby) as of the closing date of the purchase. The purchase price shall be paid in full in cash at closing by wire transfer or other immediately available funds. The purchase price shall be paid by the City to each respective Leasehold Mortgagee, to be applied by the Leasehold Mortgagee to the amounts secured by the Leasehold Mortgage owed to such Leasehold Mortgagee, subject to the priorities of lien of such Leasehold Mortgages.

(d) At the closing and upon payment in full of the purchase price each Leasehold Mortgagee shall assign its Leasehold Mortgage to the City, together with any security interest

held by it in the Port Authority Interest, without recourse, representations, covenants or warranties of any kind, provided that such Leasehold Mortgages and security interests shall be deemed modified to secure the amount of the aggregate purchase price paid by the City to all Leasehold Mortgagees (rather than the indebtedness theretofore secured thereby) payable on demand, with interest and upon the other items referred to in this Section 18.7(d). Each such assignment shall be in form for recordation or filing, as the case may be. The City shall be responsible for paying any Taxes payable to any Governmental Authority upon such assignment. Such assignment shall be made subject to such state of title of the Parking System as shall exist at the date of exercise of the City's Option.

(e) Any Leasehold Mortgage shall contain an agreement of the Leasehold Mortgagee to be bound by the provisions of this Section 18.7, and the City shall have the right to receive all notices of default under any Leasehold Mortgage.

#### **Section 18.8. Assignment and Assumption Agreement.**

(a) The provisions of this Section 18.8 shall be in effect whenever either (i) the City has made the determination contemplated by Section 18.5(c) or (ii) the Leasehold Mortgagee has determined to proceed under this Section 18.8 in lieu of under Section 18.5.

(b) Without prejudice to the rights of a Leasehold Mortgagee under Section 18.3, if either (i) the City has given a notice of termination of this Agreement due to Port Authority Default pursuant to Section 16.1(b), or (ii) this Agreement is rejected or disaffirmed pursuant to any bankruptcy Law or proceeding or other similar Law or proceedings affecting creditors' right generally with respect to a bankruptcy proceeding relating to the Port Authority or otherwise, the City agrees to cooperate with a Leasehold Mortgagee in order to effectuate such Leasehold Mortgagee's rights under the Leasehold Mortgage and the Indenture to step-in, assume or assign this Agreement, in accordance with the procedures, terms and conditions of this Section 18.8.

(c) Upon notification and satisfaction of all of the conditions and requirements in Section 18.8(d), the City agrees that this Agreement shall not be deemed terminated, but may be assumed by a Leasehold Mortgagee or by a designee or nominee of such Leasehold Mortgagee who is either controlled by the Leasehold Mortgagee (or by the holders of the Leasehold Mortgage Debt) or is Approved by the City as a Transferee under Section 17.1, for the remainder of the original stated Term of this Agreement, and as evidence of such assignment and assumption the City agrees to execute an amended and restated long term lease and modernization agreement for the Parking System subject to all of the covenants, agreements, terms, provisions and limitations of this Agreement (the "Assignment and Assumption Agreement").

(d) This Agreement may be so assigned and assumed pursuant to an Assignment and Assumption Agreement upon and subject to satisfaction of all of the following requirements and conditions:

(i) Such Leasehold Mortgagee must commit in writing to the City, in a notice delivered to the City within the later of Sixty (60) Days after the City delivers the termination notice to Leasehold Mortgagee or upon the termination of any cure period

granted to such Leasehold Mortgagee pursuant to Section 18.3, or within Sixty (60) Days after the effective date of any rejection or disaffirmance of this Agreement in a bankruptcy proceeding, as the case may be, that such Leasehold Mortgagee (or its designee or nominee) will assume this Agreement and enter into the Assignment and Assumption Agreement, which notice is accompanied by a copy of such Assignment and Assumption Agreement duly executed and acknowledged by such Leasehold Mortgagee (or its designee or nominee).

(ii) Such Leasehold Mortgagee (or its designee or nominee) shall pay or cause to be paid to the City, or makes provision for payment over the remaining Term, from Available Revenues, at the time that the Assignment and Assumption Agreement is fully executed, all amounts which, at the time of the execution and delivery thereof, would have been past-due or due and payable in accordance with the provisions of this Agreement.

(iii) Such Leasehold Mortgagee (or its designee or nominee) shall pay or cause to be paid to the City, or makes provision for payment, from Available Revenues, all reasonable costs and expenses (including legal fees), Taxes, fees, charges and disbursements paid or incurred by the City in connection with such defaults and notice of termination, the recovery of possession from the Port Authority, and in connection with the preparation, execution and delivery of the Assignment and Assumption Agreement and related agreements and documents. The City shall provide an invoice to such Leasehold Mortgagee of such costs.

(iv) Such Leasehold Mortgagee (or its designee or nominee), at the time of the notice provided under Section 18.8(d)(i), shall cure all other defaults, or makes provision for cure of all other defaults, from Parking Revenues, under this Agreement (including all such defaults curable by the payment of money) existing immediately prior to the notice of termination issued pursuant to Section 16.1(b), or, if such defaults cannot be cured by the payment of money, such Leasehold Mortgagee (or its designee or nominee) shall commit to the City in the Assignment and Assumption Agreement to proceed both promptly and diligently (subject to the availability of Parking Revenues), upon the execution of the Assignment and Assumption Agreement, to cure all such other defaults to the extent such defaults are capable of cure by a Person other than the original Port Authority and, if possession is necessary in order to cure such other Port Authority Defaults, to proceed both promptly and diligently (subject to the availability of Parking Revenues) to obtain the possession required to cure any such other defaults (and such obligation to cure shall be a covenant in the Assignment and Assumption Agreement).

(e) If a Leasehold Mortgagee gives the City a notice as provided in Section 18.8(d)(i), the City and Leasehold Mortgagee agree to cooperate with respect to taking any appropriate actions required to regain and transfer possession of the Parking System, including (i) seeking surrender of possession in any bankruptcy proceedings; (ii) seeking relief from any automatic stay in bankruptcy provisions and pursuit of state law remedies to obtain possession and to foreclose on the Leasehold Mortgage interest and assume the Port Authority's position as provided in Section 18.4 of this Agreement; provided that any costs incurred by the City under this provision shall be reimbursed from Available Revenues as provided in Section 18.8(d)(iii).

**Section 18.9. Right to Dispute Resolution.** In each case specified in this Agreement in which resort to dispute resolution is authorized, a Leasehold Mortgagee shall have the right and privilege if an event of default under the Leasehold Mortgage then exists and notice has been given to the City as contemplated by Section 18.1(f), in the Port Authority's name, place and stead, to obtain and participate in such dispute resolution upon notice to the City in accordance with Article 19.

## ARTICLE 19

### DISPUTE RESOLUTION

**Section 19.1. Scope.** Any dispute arising out of, relating to, or in connection with this Agreement shall be resolved as set forth in this Article 19.

**Section 19.2. Informal Dispute Resolution Procedures.** The Parties shall attempt in good faith to resolve such dispute within Fifteen (15) Business Days following receipt by one Party of notice of such dispute from the other Party. If the Parties are unable to resolve the dispute within such period of Fifteen (15) Business Days, and upon notice by either Party to the other, the dispute shall be referred to the Designated Senior Person of each Party. The Designated Senior Persons shall negotiate in good faith to resolve the dispute, conferring as often as they deem reasonably necessary. Statements made by representatives of the Parties during the dispute resolution procedures set forth in this Section 19.2 and in Section 19.3 and documents specifically prepared for such dispute resolution procedures shall be considered part of settlement negotiations and shall not be admissible as evidence in any litigation proceeding between the Parties without the mutual consent of the Parties.

**Section 19.3. Mediation.** Mediation of a dispute under this Agreement may not be commenced until the earlier of: (i) such time as both of the Designated Senior Persons, after following the procedures set forth in Section 19.2, conclude in good faith that amicable resolution through continued negotiation of the matter does not appear likely; or (ii) Fifteen (15) Business Days after the notice referring the dispute to the Designated Senior Persons, pursuant to Section 19.2. If, after such time period, the dispute remains unresolved, the Parties shall attempt to resolve the dispute through mediation administered by the AAA under its Commercial Mediation Procedures before resorting to litigation, as provided by Section 19.4, provided that in no case shall any representation or decisions made within the context of the mediation be binding upon the Parties without mutual consent of the Parties. The Parties agree that any period of limitation to the assertion of a claim shall be deemed tolled during the conduct of informal dispute resolution under Section 19.2 and mediation under this Section 19.3, and that any claim of any Party shall be deemed not to have accrued until mediation is terminated.

**Section 19.4. Litigation.** Unless the Parties otherwise agree, if mediation as set forth in Section 19.3 does not resolve the dispute within Thirty (30) Business Days following a reference to mediation or such longer period as the Parties may mutually agree, then the Parties shall present the dispute to such court of competent jurisdiction as set forth in Section 20.7.

**Section 19.5. Provisional Remedies.** No Party shall be precluded from initiating a proceeding in a court of competent jurisdiction for the purpose of obtaining any emergency or provisional remedy to protect its rights that may be necessary and that is not otherwise available under this Agreement or to enforce or execute upon a judgment entered in accordance with this Agreement, including temporary and preliminary injunctive relief and restraining orders and the appointment of a receiver or receiver and manager in connection with the collection and retention of Parking Revenue.

**Section 19.6. Tolling.** If a Party receiving a notice of default under this Agreement contests, disputes or challenges the propriety of such notice by making application to the dispute resolution procedure in this Article 19, any cure period that applies to such default shall be tolled for the time period between such application and the issuance of a final award or determination.

## **ARTICLE 20**

### **MISCELLANEOUS**

**Section 20.1. Notice.** All notices, other communications and approvals required or permitted by this Agreement shall be in writing, shall state specifically that they are being given pursuant to this Agreement and shall be hand delivered, delivered by a nationally-recognized overnight courier, certified or registered mail (return receipt requested and postage prepaid), addressed as follows:

(a) in the case of the City:

City of Cincinnati  
801 Plum Street, Room 152  
Cincinnati, Ohio 45202  
Attention: City Manager  
Facsimile: (513) 352-6284

With a copy to:

City of Cincinnati  
801 Plum Street, Room 214  
Cincinnati, Ohio 45202  
Attention: City Solicitor  
Facsimile: (513) 352-1515

With a copy to:

Frost Brown Todd LLC  
10 West Broad Street; Suite 2300  
Columbus, Ohio 43215  
Attention: David A. Rogers  
Phone: (614) 559-7252  
Facsimile: (614) 464-1737

(b) in the case of the Port Authority:

Port of Greater Cincinnati Development Authority  
299 East Sixth Street, Suite 2A  
Cincinnati, Ohio 45202  
Attention: Laura N. Brunner  
Phone: (513) 621-3000

with a copy  
to:

Calfee, Halter & Griswold LLP  
2800 First Financial Center  
255 East Fifth Street  
Cincinnati, OH 45202-4728  
Attention: Virginia D. Benjamin, Esq.  
Phone: (513) 693-4880  
Facsimile: (216) 241-0816

or such other persons or addresses as either Party may from time to time designate by notice to the other. A notice, other communication or approval shall be deemed to have been sent and received (i) on the Day it is delivered, or if such Day is not a Business Day or if the notice is received after ordinary office hours (time of place of receipt), the notice, other overnight delivery, communication or approval shall be deemed to have been sent and received on the next Business Day, or (ii) on the date evidenced by receipt of U.S. registered or certified mail.

**Section 20.2. Entire Agreement.** This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, discussions and understandings, written or oral, between the Parties. There are no representations, warranties, conditions or other agreements, whether direct or collateral, or express or implied, that form part of or affect this Agreement, or that induced any Party to enter into this Agreement or on which reliance is placed by any Party, except as specifically set forth in this Agreement. The Parties acknowledge and agree that (i) each has substantial business experience and is fully acquainted with the provisions of this Agreement, (ii) the provisions and language of this Agreement have been fully negotiated and (iii) no provision of this Agreement shall be construed in favor of any Party or against any Party by reason of such provision of this Agreement having been drafted on behalf of one Party rather than the other.

**Section 20.3. Amendment.** This Agreement may be amended, changed or supplemented only by a written agreement signed by the Parties.

**Section 20.4. Waiver of Rights.** Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or



partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

**Section 20.5. Severability.** Each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by applicable Law. The invalidity of any one or more phrases, sentences, clauses or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part thereof. If any provision of this Agreement or the application thereof to any Person or circumstance is held or deemed to be or determined to be invalid, inoperative or unenforceable in any particular case in any particular jurisdiction or jurisdictions because it conflicts with any other provision or provisions hereof or of any applicable Law, or public policy, or for any other reason, (i) such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever, and (ii) the Parties shall negotiate in good faith to amend this Agreement to implement the provisions set forth herein. If the Parties cannot agree on an appropriate amendment, either Party may refer the matter for determination pursuant to the dispute resolution procedure in Article 19. If, by means of the dispute resolution procedure, the Parties are unable, as a result of applicable Law, to resolve the matter in a manner that effectively entitles the City to have the same rights after the aforesaid determination of invalidity or unenforceability as before, the City shall have the right to enact, and cause to come into force, any Law to provide for the same or substantially the same rights as were determined to be invalid or unenforceable.

**Section 20.6. Governing Law.** This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws in force in the City of Cincinnati and the State of Ohio (excluding any conflict of laws rule or principle which might refer such interpretation to the laws of another jurisdiction).

**Section 20.7. Submission to Jurisdiction.** Subject to Article 19, any action or proceeding against the Port Authority or the City relating in any way to this Agreement may be brought and enforced in state courts in the State of Ohio in Hamilton County, and each of the Port Authority and the City hereby irrevocably submits to the jurisdiction of such courts with regard to any such action or proceeding, and irrevocably waives, to the fullest extent permitted by applicable Law, any objection it may have now or hereafter have to the laying of venue of any such action or proceeding in such courts and any claim that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Service of process on the City may be made, either by registered or certified mail addressed as provided for in Section 20.1. Service of process on the Port Authority may be made either by registered or certified mail addressed as provided for in Section 20.1 or by delivery to the Port Authority's registered agent for service of process in the State of Ohio. If the Port Authority is presented with a request for Documents by any administrative agency or with a subpoena duces tecum regarding any Documents which may be in its possession by reason of this Agreement, the Port Authority shall give notice to the City within Five (5) Business Days of receipt of the subpoena or request of said subpoena or request. The City may contest such process by any means available to it before such Documents are submitted to a court or other third party; provided, however, that the Port Authority shall not be obligated to withhold such delivery beyond that time as may be ordered by

the court or administrative agency or required by Law, unless the subpoena or request is quashed or the time to produce is otherwise extended.

**Section 20.8. Further Acts.** The Parties shall do or cause to be done all such further acts and things as may be reasonably necessary or desirable to give full effect to this Agreement. Without limiting the foregoing, each Party will, at any time and from time to time, execute and deliver or cause to be executed and delivered such further instruments and assurances and take such further actions as may be reasonably requested by the other Party in order to cure any defect in the execution and/or delivery of this Agreement.

**Section 20.9. Costs.** Except as otherwise provided in this Agreement, each Party shall be responsible for its own costs and expenses incurred in connection with performing and observing its obligations and covenants under this Agreement.

**Section 20.10. Interest.** Any amount payable under this Agreement and not paid when due shall bear interest at a variable nominal rate per annum equal on each Day to the Bank Rate then in effect, from the date such payment is due until payment and both before and after judgment.

**Section 20.11. Inurement and Binding Effect.** This Agreement shall inure to the benefit of the Parties and their respective permitted successors and assigns and be binding upon the Parties and their respective successors and assigns.

**Section 20.12. No Partnership or Third Party Beneficiaries.** Except as expressly provided herein to the contrary, nothing contained in this Agreement shall constitute or be deemed to create a partnership, joint venture or principal and agent relationship between the City and the Port Authority, nor shall any term or provision hereof be construed in any way to grant, convey or create any rights or interests to any Person not a party to this Agreement, other than the Trustee, in the case of Sections 2.3, 2.5(a), 2.5(h) and 9.1(l), the Underwriter, in the case of Sections 2.5(a) and 9.1(l), the Asset Manager and Operator, and in the case of Section 8.2(b), any Contractor.

**Section 20.13. No. General Obligations.** Notwithstanding anything herein to the contrary, the obligations, covenants, and agreements of the Port Authority hereunder shall not constitute a general obligation or an indebtedness of the Port Authority within the meaning of the Constitution or the laws of the State of Ohio.

**Section 20.14. Cumulative Remedies.** The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Law.

**Section 20.15. Counterparts; Facsimile Execution.** This Agreement may be executed in any number of counterparts which, taken together, shall constitute one and the same agreement. This Agreement shall be effective when it has been executed by each Party and delivered to both Parties. To evidence the fact that it has executed this Agreement, a Party may send a copy of its executed counterpart to the other Party by facsimile transmission. Such Party shall be deemed to have executed and delivered this Agreement on the date it sent such facsimile

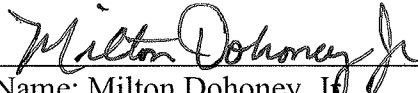
transmission. In such event, such Party shall forthwith deliver to the other Party an original counterpart of this Agreement executed by such Party.

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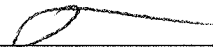
*[Signature Page to the Long-Term Lease And Modernization Agreement For The City  
Of Cincinnati Parking System]*

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed on its behalf by its City Manager pursuant to due authorization of the City Council and the Port Authority has caused this Agreement to be duly executed pursuant to due authorization, all as of the Day and year first above written.

**CITY OF CINCINNATI**, an Ohio  
municipal corporation

By:   
Name: Milton Dohoney, Jr.  
Title: City Manager

APPROVED AS TO FORM

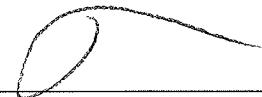
By:   
Name: RYAN TAYLOR  
Title: Assistant City Solicitor

STATE OF OHIO                    )  
  ) SS:  
COUNTY OF HAMILTON        )

**ATTORNEY AT LAW**  
Notary Public, State of Ohio  
My Commission has no Expiration Date  
Section 147.03 O. R. C.

**BEFORE ME**, a Notary Public, in and for said county and state, personally appeared Milton Dohoney, the City Manager of the City of Cincinnati, who acknowledged before me that he did sign the foregoing instrument on behalf of the City of Cincinnati.

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and seal this 17 day of  
~~May~~, 2013  
June

  
Notary Public

*[Signature Page to the Long-Term Lease And Modernization Agreement For The City  
Of Cincinnati Parking System]*

**PORT AUTHORITY**

By: \_\_\_\_\_  
Printed: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF OHIO                    )  
  ) ss:  
COUNTY OF HAMILTON    )

**BEFORE ME**, a Notary Public, in and for said county and state, personally appeared \_\_\_\_\_, the \_\_\_\_\_ of \_\_\_\_\_, who acknowledged before me that he/she did sign the foregoing instrument on behalf of the \_\_\_\_\_ for the purposes set forth therein.

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and seal this \_\_\_\_ day of May, 2013

\_\_\_\_\_  
Notary Public

## Schedule 1

### Parking System Contracts

The following provides a general description of the Parking System Contracts which are available in complete form from the City:

|   |  |
|---|--|
| <b>Vendor Agreements</b>                                |  |
| 1   | Anox Fire Protection   |
| 2   | Dial One Security  |
| 3   | IPS Group  |
| 4   | Kone   |
| <b>Rental MOU/Agreements</b>                            |  |
| 1   | Residents of 325 E. 8 <sup>th</sup> /East 8 Lofts & Sycamore Place |
| 2   | P&G  |
| 3   | U.S. Bank  |
| 4   | Westin   |
| 5   | Lofts at Fountain Square   |
| 6   | 18 E. 4th Street Condominium Assn.                                 |
| 7   | Gramercy Parking for Town Properties residents                     |
| <b>Surface Lot/Parking Garage Operation/Maintenance</b> |  |
| 1   | NSG, Inc. - 3 <sup>rd</sup> & Central                              |
| 2   | NSG, Inc. - West Central   |
| 3   | NSG, Inc. – McFarland  |
| 4   | NSG, Inc. - John Street  |
| 5   | AllPro Parking - 7 <sup>th</sup> Street Garage                     |
| 6   | AllPro Parking - 7 <sup>th</sup> & Broadway                        |
| 7   | NSG, Inc. - Elm Street (Gramercy)                                  |
| 8   | Tri-State Valet - Fountain Sq. South                               |
| <b>Energy Contract</b>                                  |  |
| 1   | Honeywell  |

## SCHEDULE 2

### PARKING SYSTEM OPERATING STANDARDS

The Port Authority acknowledges that the Parking System is a vital public asset and understands the importance of operating and maintaining the Parking System such that it meets or exceeds certain minimum standards. Therefore, Port Authority agrees that it will comply with the Operating Standards set forth below and will develop and adhere to the Operating Plan (as defined below) for meeting those Operating Standards.

#### OFF-STREET PARKING SYSTEM OPERATING STANDARDS

**Management and Operation.** The Port Authority will manage and operate, or supervise and direct the management and operation of, the Off-Street Parking System in accordance with the standards promulgated by the National Parking Association and in compliance with all applicable Laws (except for any new Law applicable to Parking System Operations promulgated by the City that does not generally apply to all parking garages or parking lots within the City) at all times during the Term, during which period the Off-Street Parking System will be used solely for the provision of public off-street vehicular parking and related activities. The Port Authority will manage and operate, or see to the management and operation of, the Off-Street Parking System as a First Class Parking System, in an efficient and effective manner consistent with the operation of Comparable Off-Street Parking Systems. Subject to the limitations set forth in the Agreement, the Port Authority has authority to determine the policies and procedures affecting customer service, staffing and personnel, maintenance, general appearance and cleanliness, procurement of inventories and all other activities necessary for the management and operation of the Off-Street Parking System all in accordance with this Schedule 2 and the Operating Plan. The management and operation of the Off-Street Parking System also specifically includes the collection, receipt, holding and disbursement of funds and the maintenance of bank accounts (including, without limitation, reserve accounts); provided that the Port Authority must maintain records sufficient to enable it to demonstrate compliance with the requirements of the Agreement, this Schedule 2 and the Operating Plan.

**On-Going Repairs and Maintenance.** The Port Authority will maintain the Parking Garages and Parking Lots in good repair consistent with the condition of Comparable Off-Street Parking Systems, in accordance with the standards promulgated by the National Parking Association and in compliance all applicable Laws (except for any new Law applicable to Parking System Operations promulgated by the City that does not generally apply to all parking garages or parking lots within the City). The Port Authority will make or cause to be made all maintenance, repairs and minor alterations as it from time to time deems necessary for such purposes and set forth in the Capital Plan.

#### ON-STREET PARKING SYSTEM OPERATING STANDARDS

**Management and Operation.** The Port Authority will manage and operate, or supervise and direct the management and operation of, an On-Street Parking System in accordance with accepted industry standards and in compliance with all applicable Laws at all times during the Term. The Port Authority shall manage and operate, or see to the management and operation of, that On-Street Parking System as a First Class Parking System, in an efficient and effective manner that is consistent with the operation of Comparable On-Street Parking Systems. Subject to the limitations set forth in this Agreement, the Port Authority has authority to determine and modify the policies and procedures affecting customer service, staffing and personnel, maintenance, general appearance and cleanliness, procurement of inventories and all other activities necessary for the management and operation of the On-Street Parking System all in accordance with this Schedule 2 and the Operating Plan. The management and operation of the On-Street Parking System also specifically includes the collection, receipt, holding and disbursement of funds and the maintenance of bank accounts (including, without limitation, reserve accounts); provided that the Port Authority must maintain records sufficient to enable it to demonstrate compliance with the requirements of this Agreement.

**Installation, Operation, Repair and Maintenance.** The Port Authority shall install, operate and maintain in good repair the On-Street Parking System located or installed from time to time in the Public Ways in accordance with accepted industry standards and in compliance with all applicable Laws, and will make or cause to be made all

necessary repairs, routine improvements and replacements to the On-Street Parking System as it from time to time, deems necessary for such purposes.

The Port Authority will install and operate the On-Street Parking System in a manner so as to cause a minimum interference with traffic flow and the use of the Public Ways by the City and the public. If, during the course of the Port Authority's installation, operation or maintenance of the On-Street Parking System, the Port Authority or its Representatives damage any Public Way, the Port Authority will, within a reasonable time and as early as practicable, replace and restore the Public Way to a condition at or better than the condition of the Public Way immediately prior to such a disturbance in accordance with applicable City standards. The City may, at the Port Authority's cost, remove any obstruction or repair any damage to a Public Way that interferes with the proper use of the Public Way by the City or the public that, after proper written notice by the City to the Port Authority, is not removed or repaired by the Port Authority within five (5) Business Days following receipt of notice from the City or longer where reasonably necessary.

## **PARKING SYSTEM OPERATING PLAN**

**General.** The Port Authority will establish, document and from time to time update policies, procedures, guidelines and minimum requirements to maintain, construct and operate all aspects of the Parking System in accordance with the Operating Standards (the "Operating Plan"). The Port Authority will promulgate separate Operating Plans for the On-Street Parking System and the Off-Street Parking System. The Operating Plan will include the elements described in the following paragraphs. The Port Authority will provide a draft of the initial Operating Plan for the Off-Street Parking System to the City no later than thirty (30) days after Closing and a draft of the initial Operating Plan for the On-Street Parking System to the City no later than sixty (60) days after Closing, and will provide drafts of proposed changes to the Operating Plan at least fourteen (14) days prior to final adoption of those changes by the Port Authority. The City may review and comment on the draft Operating Plan and proposed changes. The Port Authority will consider those comments when finalizing the initial Operating Plan or proposed changes and, if so requested by the City, cause its representatives and representatives of the Asset Manager and Operator to meet with representatives of the City to discuss the initial Operating Plan or proposed changes prior to final adoption of that plan or proposed changes.

**Performance Measures.** The Port Authority acknowledges the importance of, and will develop and include in the Operating Plan, provisions that set forth performance measures that may be quantitative and/or qualitative in nature and support the underlying goals of the Agreement to promote customer convenience, implement new technology, and improve the operation of the Parking System. The quantitative measurements may be based on operating statistics and/or physical inventories, while the qualitative measurements may be based on user perceptions, expectations, or other criteria established by the Port Authority. The Port Authority is encouraged to utilize performance measurements that capture specific aspects of their operating and maintenance performance, including, to the extent available, trend data on parking demand or paid use, statistical performance metrics, quality of service measures, and condition of assets.

**Customer Service.** The Operating Plan will describe the overall policies, practices and procedures for creating and maintaining a uniform, efficient system that documents customer service concerns, addresses customer inquiries, and response methods and response times. The Port Authority will ensure contact information is posted at or near each Parking Garage, Parking Lot, or Metering Device, including a telephone number and internet address for the reporting of inoperative and defective equipment and other operational problems and to provide customers with timely access to the Operator for purposes of making inquiries and/or registering problems or complaints. The Port Authority will ensure that the Operator will use best reasonable efforts to respond to customer inquiries timely and efficiently.

**On-Street Parking System.** The Operating Plan will describe plans for identifying, planning, scheduling, maintaining, installing and operating all of the equipment utilized within the On-Street Parking System in a manner designed to comply with the Operating Standards and the then current Capital Plan developed pursuant to Section 8.1(d). The Operating Plan is also intended to help ensure compliance with the applicable provisions of the Manual of Uniform Traffic Control Devices (MUTCD), the provision of cashless alternatives, the ability to implement time differential rate schedules, preventative maintenance of the Metering Devices, and the prompt repair of Metering Devices that are not functioning properly (not more than an average of two (2) Business Days following



notification). The Operating Plan will require the On-Street Operator to provide to the City notice of the replacement of existing Metering Devices or initial installation of new Metering Devices at least three (3) Business Days prior to that replacement or installation (subject to other requirements set forth in the Agreement).

**Off-Street Parking System.** The Operating Plan will describe plans for identifying, planning, scheduling, maintaining, and operating the Parking Facilities and equipment utilized within the Off-Street Parking System in a manner designed to comply with the Operating Standards and the then current Capital Plan developed pursuant to Section 8.1(d).

**Coordination with City.** The Operating Plan will describe policies and procedures designed to promote efficient coordination between the Port Authority, the Asset Manager and the Operators on one hand and various City personnel and departments on the other hand.

## **SCHEDULE 3**

### **ENFORCEMENT POLICIES AND PROCEDURES**

**Overview.** In an effort to ensure the consistency of the on-street parking experience for the patrons of the City of Cincinnati's parking system, the Port Authority shall endeavor to adopt an adjudication program for citations and related infractions that mirrors the policies and procedures of the City of Cincinnati in existence as of the date of this Lease and Modernization Agreement. Throughout the transition process, the Port Authority will review the current enforcement procedures and identify potential enforcement options that could streamline the process. Nothing in this Agreement prevents the Port Authority from updating the adjudication program from time to time to reflect changes in technology, operational experience and evolving industry standards. In all cases the Port Authority shall comply with applicable Law.

#### **PERIODS OF STAY**

Following the Initial Adjustment Date, the Port Authority may increase or decrease the Period of Stay for all or a portion of the Metered Parking Spaces upon the delivery of written notice of the change to the City. Upon written request of the City to the Port Authority, the Advisory Committee will review and approve (or modify), at its next meeting any such increase or decrease in Period of Stay made since the date of this Agreement or the previous Advisory Committee meeting, whichever is later.

#### **ON-STREET PARKING ENFORCEMENT PROCEDURE**

The City's enforcement handhelds communicate with Hamilton County and participate in the State of Ohio's D.E.T.E.R. Blocks system. Currently, D.E.T.E.R. Blocks are imposed after a proscribed number of citations have been incurred; the Port Authority is encouraged to retain this program and the infraction threshold currently in place. The Port Authority may continue the City's practice of using contractors to tow vehicles to the City Impound Lot after a certain number of infractions have been incurred. Impound fees collected for vehicles impounded in the City Impound Lot will continue to be collected by the City. The City will require payment of all parking infractions for an impounded vehicle prior to its release from the City Impound Lot. Additionally, the Port Authority may implement a booting program. The Port Authority may place a boot on a vehicle after a proscribed number of citations have been incurred.

#### **NOTICE ISSUANCE PROCEDURE**

Subject to the availability of necessary information from government sources (such as name and address information from the State of Ohio), the Port Authority shall endeavor to follow the current notice issuing procedure; provided, however, nothing in this Agreement prevents the Port Authority from expanding the categories of motorists notified (such as out of state motorists) and the frequency of notices. Under the Port Authority, the process should mirror existing practice but be enhanced using new technology in the form of an Enforcement Management System which will automatically generate follow-up notices.

#### **INFRACTION APPEAL ADJUDICATION PROCEDURE**

The following procedures are subject to the delivery of information to the Port Authority by Hamilton County, the City or its assigns, as applicable.

**Broken Meter Appeals.** The Port Authority shall endeavor to perform the current duties of the City's Parking Enforcement and Meter Repair Office. The Port Authority will handle all complaints related to parking infractions and adjudication where an infraction has been issued on a malfunctioning meter. The Port Authority may adopt the City's current practice of placing a "hold" on disputed infractions accompanied by a written appeal. Pursuant to such practice, while the hold is in place and an investigation of the claim is in process, a disputed infraction will not incur additional penalty. The Port Authority will establish a procedure for testing meters and handling appeals.

**Other Infraction Appeals.** In instances other than a dispute over the operation of a parking meter, such as where there is an allegation that an infraction is in error or it contains erroneous information, a party may contact the Port Authority or its Operators online, by phone, or by written means. A Parking Appeals Representative should review the complaint and advise the appealing party in writing of the Representative's decision. If grounds exist for a dismissal of the infraction, the Parking Appeals Representative may have the power to dismiss the infraction and notify the appealing party. If no resolution is made to the satisfaction of the appealing party, the appealing party may request a hearing before a Hearing Officer .

**Hearing Process.** During the transition period, the Port Authority envisions maintaining the Parking Violations Bureau at the Hamilton County Clerk of Courts Office. After the transition process and the expiration of the Parking Adjudication Agreement, the Port Authority could choose to establish an alternative Parking Violations Bureau. The Hearing Officer of the alternative Parking Violations Bureau should be an independent third-party and may be a City of Cincinnati employee located in its Office of Administrative Hearings.

**Infraction Payment Procedure.** The Port Authority may create an online payment platform that is fully integrated with the other proposed parking payment systems. The Port Authority shall endeavor to provide parking patrons with a commercially reasonable range of payment options.

## **STANDARDS AND GUIDELINES**

The following standards and guidelines are necessary for the efficient administration of the issuance of parking tickets or citations for violations of the parking rules and regulations with respect to the Parking System in accordance with the Agreement.

- 1) Ticket requirements. The Operator shall use the standard parking ticket form adopted pursuant to Cincinnati Municipal Code § 515-10 and Ohio Revised Code § 4521.03. To the extent the Ohio Revised Code § 4521.03 is revised to allow for alternative forms of parking tickets based on new technology, such as electronic tickets, then upon request of the Port Authority, the City's administration will use best efforts to recommend a change to Council to modify Municipal Code to permit the use of new technology for tickets.
- 2) Vehicles. All enforcement vehicles should be clearly marked and drivers must adhere to all established vehicle traffic safety and parking regulations.
- 3) Frequency. The Operator is permitted to issue a single ticket for each violation of Municipal Code to a vehicle during a Period of Stay, or the maximum amount of time that can be purchased at a meter at a given time (i.e., if the maximum duration is four hours, a vehicle can only be ticketed once every four hours per violation).
- 4) Towing. Pursuant to Cincinnati Municipal Code § 515-9, the Operator may request that the City tow the vehicle if a debt search of that particular vehicle's license plate number reveals that there are three or more parking infractions in which unpaid judgments or unpaid default judgments have been filed with the Clerk of the Municipal Court.
- 5) Booting / immobilization. Pursuant to Cincinnati Municipal Code § 515-9, the Operator may immobilize a vehicle with a boot if a debt search of that particular vehicle's license plate number reveals that there are three or more parking infractions in which unpaid judgments or unpaid default judgments have been filed with the Clerk of the Municipal Court.

## **PARKING INFRACTION FINE SCHEDULE**

| <b>Violations by<br/>Municipal Code</b> | <b>Current Fine</b> | <b>Franchise Year 1-3<br/>Fine</b> | <b>Franchise Year 4<br/>Fine</b> | <b>Franchise Year 5-<br/>30 Fine</b>   |
|---|---------------------|------------------------------------|----------------------------------|--|
| 509-4, 509-7,<br>509-8                  | \$35                | \$45                               | \$60                             | Greater of 3% or the<br>Index; capped at the<br>maximum amount<br>available at law |
| 502-3, 508-1,                           | \$50                | \$50                               | \$50                             | Greater of 3% or the   |

|   |       |       |       |  |
|---|-------|-------|-------|--|
| 508-1A, 508-2,<br>508-3, 508-6,<br>508-7, 508-8,<br>508-11              |       |       |       | Index; capped at the<br>maximum amount<br>available at law                         |
| 508-12, 508-17,<br>508-20, 508-21,<br>508-22, 508-23,<br>508-24, 508-25 | \$50  | \$50  | \$50  | Greater of 3% or the<br>Index; capped at the<br>maximum amount<br>available at law |
| 508-26, 508-27,<br>508-28, 508-29,<br>508-31, 508-32,<br>508-33, 510-5  | \$50  | \$50  | \$50  | Greater of 3% or the<br>Index; capped at the<br>maximum amount<br>available at law |
| 508-34  | \$56  | \$56  | \$56  | Greater of 3% or the<br>Index; capped at the<br>maximum amount<br>available at law |
| 508-36, 508-<br>1A(d)   | \$250 | \$250 | \$250 | \$250  |

After an initial increase of \$10 and a \$15 increase in Franchise Year 4 for meter violations, all Parking Fines will increase as set forth in Section 3 above subject to applicable Law. All increases will be rounded to the nearest dollar.

## SCHEDULE 4

### Parking Hours

#### Metered Parking Spaces

| Zone          | Hours of Operation | Days of Operation           |
|---------------|--------------------|-----------------------------|
| Downtown      | 8a – 9p            | Mon. – Sat. except Holidays |
| Neighborhoods | 7a – 9p*           | Mon. – Sat. except Holidays |

\*Some neighborhood hours of operations begin at 8:00 a.m.

#### Parking Facilities

| Name                                 | Address                          | Capacity   | Hours of Operation<br>(per Day)          | Days of Operation<br>(per Week) |
|--------------------------------------|----------------------------------|------------|--|---------------------------------|
| Garfield Garage                      | 13 W. 9 <sup>th</sup> Street     | 545        | 24 hours                                 | Sun. – Sat.                     |
| Fountain Square<br>South Garage      | 416 Vine Street                  | 396        | 24 hours                                 | Sun. – Sat.                     |
| Gramercy Garage                      | 710 Elm Street                   | 418        | Transient: 6a – 11p<br>Monthly: 24 hours | Sun. – Sat.                     |
| Broadway Garage                      | 351 E. 7 <sup>th</sup> Street    | 623        | Transient: 6a – 11p<br>Monthly: 24 hours | Sun. – Sat.                     |
| Seventh Street<br>Garage             | 702 Sycamore<br>Street           | 260        | 24 hours                                 | Sun. – Sat.                     |
| Third & Butler Lot /<br>L&N Loop Lot | 3 <sup>rd</sup> & Butler Streets | 225        | 24 hours                                 | Sun. – Sat.                     |
| West Central Lot                     | 321 Central<br>Avenue            | 32         | 24 hours                                 | Sun. – Sat.                     |
| McFarland Lot                        | 308 Central Ave                  | 29         | 24 hours                                 | Sun. – Sat.                     |
| Sycamore Garage                      | 7 <sup>th</sup> & Sycamore       | 610 (est.) | 24 hours                                 | Sun. – Sat.                     |

## SCHEDULE 5

### Schedule of Parking Fees and Zones

#### Section 1: Metered Parking Fee

| Zone          | Current Price per Hour | Initial Rate after Rate Adjustment Date | Franchise Year 2-30*  |
|---------------|------------------------|---|---|
| Downtown      | \$2.00                 | \$2.00                                  | Greater of 3% or the Index, subject to Applicable Metered Parking Fee Cap; only increases in \$.25 increments |
| Neighborhoods | \$.50**                | \$.75                                   | Greater of 3% or the Index, subject to Applicable Metered Parking Fee Cap; only increases in \$.25 increments |

\*Following the Initial Adjustment Date, the meter rates may rise at the greater of 3% or the Index. Meter rates may increase only in \$.25 increments but will round up in price when the compounded growth rate calculation shows a total additional charge of at least \$.125 over the current rate.

\*\*Most neighborhoods charge \$.50 an hour today, and a few charge \$.25/hr.

#### Section 2: Off-Street Parking Fees

| Garfield Garage | Current Rate | Initial Rate |
|-----------------|--------------|--------------|
| Monthly         | \$95.00      | \$95.00      |
| Up to 1 hr.     | \$1.00       | \$1.00       |
| Up to 2 hrs.    | \$2.00       | \$3.00       |
| Up to 3 hrs.    | \$3.00       | \$4.00       |
| 4-24 hrs        | \$4.00       | \$7.00       |
| Daily Max       | \$6.00       | \$7.00       |
| Evening         | \$2.00       | \$3.00       |
| Weekends        | \$2.00       | \$4.00       |

| Gramercy Garage | Current Rate | Initial Rate |
|-----------------|--------------|--------------|
| Monthly         | \$100.00     | \$100.00     |
| Up to 1 hr.     | \$1.00       | \$1.00       |
| Up to 2 hrs.    | \$2.00       | \$3.00       |
| Up to 3 hrs.    | \$3.00       | \$4.00       |
| 4-24 hrs        | \$4.00       | \$8.00       |

| Daily Max       | \$7.00       | \$8.00       |
|-----------------|--------------|--------------|
| Evening         | \$1.00       | \$3.00       |
| Weekends        | \$1.00       | \$4.00       |
| Broadway Garage | Current Rate | Initial Rate |
| Monthly         | \$135.00     | \$135.00     |
| Up to 1 hr.     | \$2.00       | \$2.00       |
| Up to 2 hrs.    | \$4.00       | \$5.00       |
| Up to 3 hrs.    | \$6.00       | \$7.00       |
| 4-24 hrs        | \$8.00       | \$9.00       |
| Daily Max       | \$8.00       | \$9.00       |
| Evening         | \$2.00       | \$3.00       |
| Weekends        | N/A          | \$0.00       |
| Special Event   | \$10.00      | \$15.00      |

| Seventh St Garage | Current Rate | Initial Rate |
|-------------------|--------------|--------------|
| Monthly           | \$130.00     | \$130.00     |

|               |        |        |
|---------------|--------|--------|
| Up to 1 hr.   | \$2.00 | \$2.00 |
| Up to 2 hrs.  | \$4.00 | \$5.00 |
| Up to 3 hrs.  | \$6.00 | \$7.00 |
| 4-24 hrs      | \$8.00 | \$9.00 |
| Daily Max     | \$8.00 | \$9.00 |
| Evening       | \$2.00 | \$3.00 |
| Weekends      | \$2.00 | \$3.00 |
| Special Event | \$0.00 | \$0.00 |

| Fountain Sq<br>South Garage | Current<br>Rate | Initial<br>Rate |
|-----------------------------|-----------------|-----------------|
| Monthly                     | \$195.00        | \$205.00        |
| Up to 1 hr.                 | \$1.00          | \$1.00          |
| Up to 2 hrs.                | \$3.00          | \$5.00          |
| Up to 3 hrs.                | \$5.00          | \$7.00          |

|               |         |         |
|---------------|---------|---------|
| Up to 4hrs    | \$7.00  | \$9.00  |
| Daily Max     | \$15.00 | \$17.00 |
| Evening       | \$5.00  | \$17.00 |
| Weekends      | \$5.00  | \$17.00 |
| Special Event | \$10.00 | \$20.00 |

| 3rd & Butler /<br>L&N Loop Lots | Current<br>Rate | Initial<br>Rate |
|---------------------------------|-----------------|-----------------|
| Monthly                         | \$55 - \$65     | \$55 - \$65     |
| Special Event                   | \$25.00         | \$25.00         |

| West<br>Central &<br>McFarland<br>Lots | Current<br>Rate | Initial<br>Rate |
|--|-----------------|-----------------|
| Monthly                                | \$65.00         | \$65.00         |
| Special Event                          | \$30.00         | \$35.00         |

After the First Franchise Year at the Initial Rate, all Off-Street Parking Fees may increase annually at the greater of 3% or the Consumer Price Index, subject to the Applicable Off-Street Parking Fee Cap. Each rate band may only increase in \$.25 increments but will round up in price when the compounded growth rate calculation shows a total additional charge of at least \$.125 over the current rate.

## **SCHEDULE 6**

### **Exempt Excluded Off-Street Parking Facilities**



## **SCHEDULE 7**

**[Reserved]**

## **SCHEDULE 8**

### **Financial Information**

See Section 9.1(h) for further description

Table 1: Summary of Revenues, Operating Expenses and Net Operating Income (2007 to 2011)

|                                  | 2007         | 2008         | 2009         | 2010         | 2011         | 2007 to 2011 |        |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------|
|                                  |              |              |              |              |              | Total        | CAGR   |
| <b>Revenue</b>                   |              |              |              |              |              |              |        |
| <b>Off-Street</b>                |              |              |              |              |              |              |        |
| <b>Parking Revenue</b>           |              |              |              |              |              |              |        |
| Garfield Garage                  | \$/49,458    | \$/83,874    | \$837,816    | \$832,019    | \$926,636    | \$4,149,803  | 4.3%   |
| Fountain Square South Garage     | \$1,296,964  | \$1,361,131  | \$1,414,782  | \$1,556,459  | \$1,673,447  | \$7,302,783  | 5.2%   |
| Gramercy Garage                  | \$578,646    | \$581,979    | \$570,868    | \$574,784    | \$566,786    | \$2,877,564  | -0.4%  |
| Broadway Garage                  | \$659,170    | \$670,866    | \$613,088    | \$760,230    | \$1,193,938  | \$3,897,591  | 12.6%  |
| Seventh Street Garage            | \$274,487    | \$267,494    | \$274,921    | \$289,146    | \$311,281    | \$1,417,327  | 2.5%   |
| Third and Butler Lot             | \$42,911     | \$42,318     | \$44,639     | \$30,492     | \$47,580     | \$230,940    | 0.7%   |
| West Central/McFarland Lots      | \$49,708     | \$57,055     | \$61,735     | \$59,445     | \$71,724     | \$299,667    | 7.6%   |
| <b>Rent and Miscellaneous</b>    |              |              |              |              |              |              |        |
| Garfield Garage                  | \$648        | \$505        | \$463        | \$387        | \$324        | \$2,327      |        |
| Fountain Square South Garage     | \$130        | \$132        | \$124        | \$112        | \$325        | \$823        |        |
| Gramercy Garage                  | \$0          | \$40,003     | \$0          | \$0          | \$0          | \$40,003     |        |
| Broadway Garage                  | \$342        | \$160        | \$170        | \$991        | \$721        | \$2,384      |        |
| Seventh Street Garage            | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          |        |
| Third and Butler Lot             | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          |        |
| West Central/McFarland Lots      | \$0          | \$0          | \$0          | \$0          | \$0          | \$0          |        |
| Total Off-Street                 | \$3,653,763  | \$3,805,316  | \$3,818,605  | \$4,143,364  | \$4,792,763  | \$20,216,211 | 5.6%   |
| On-Street Meters                 | \$2,382,575  | \$2,489,914  | \$2,440,675  | \$2,710,796  | \$3,271,475  | \$13,295,436 | 6.5%   |
| Parking Tickets <sup>1</sup>     | \$4,511,301  | \$4,930,993  | \$4,307,222  | \$3,844,455  | \$3,744,769  | \$21,339,042 | -3.7%  |
| Total Revenue                    | \$10,549,640 | \$11,226,425 | \$10,566,803 | \$10,698,816 | \$11,809,007 | \$54,850,689 | 2.3%   |
| <b>Operating Expenses</b>        |              |              |              |              |              |              |        |
| <b>Off-Street</b>                |              |              |              |              |              |              |        |
| Garfield Garage                  | \$821,852    | \$810,294    | \$844,266    | \$833,021    | \$893,540    | \$4,204,973  | 1.7%   |
| Fountain Square South Garage     | \$618,470    | \$638,118    | \$688,871    | \$634,689    | \$553,950    | \$3,134,098  | -2.2%  |
| Gramercy Garage                  | \$423,718    | \$430,208    | \$431,089    | \$442,434    | \$396,962    | \$2,124,411  | -1.3%  |
| Broadway Garage                  | \$383,774    | \$397,582    | \$427,527    | \$425,036    | \$480,375    | \$2,114,294  | 4.6%   |
| Seventh Street Garage            | \$185,144    | \$178,715    | \$207,103    | \$219,518    | \$251,674    | \$1,042,154  | 6.3%   |
| Third and Butler Lot             | \$5,295      | \$5,966      | \$5,942      | \$23,149     | \$23,707     | \$66,039     | 37.2%  |
| West Central/McFarland Lots      | \$2,642      | \$3,101      | \$6,579      | \$39,269     | \$21,787     | \$73,778     | 52.5%  |
| Total Off-Street                 | \$2,440,894  | \$2,463,985  | \$2,611,775  | \$2,617,117  | \$2,625,995  | \$12,759,765 | 1.5%   |
| On-Street Meters and Enforcement | \$1,631,385  | \$1,484,103  | \$1,632,893  | \$1,561,392  | \$1,546,086  | \$7,876,058  | -1.1%  |
| Contract with Hamilton County    | \$350,000    | \$350,000    | \$350,000    | \$350,000    | \$350,000    | \$1,750,000  | 0.0%   |
| Total Operating Expenses         | \$4,422,279  | \$4,298,087  | \$4,614,668  | \$4,528,708  | \$4,522,081  | \$22,385,823 | 0.4%   |
| <b>Net Operating Income</b>      |              |              |              |              |              |              |        |
| <b>Off-Street</b>                |              |              |              |              |              |              |        |
| Garfield Garage                  | (\$71,746)   | (\$25,915)   | (\$5,987)    | \$19,385     | \$31,420     | (\$52,842)   | N/A    |
| Fountain Square South Garage     | \$678,624    | \$723,145    | \$726,035    | \$921,882    | \$1,119,822  | \$4,169,508  | 10.5%  |
| Gramercy Garage                  | \$154,928    | \$191,773    | \$139,780    | \$131,850    | \$169,825    | \$788,155    | 1.9%   |
| Broadway Garage                  | \$276,038    | \$273,444    | \$185,731    | \$336,185    | \$714,284    | \$1,785,682  | 20.9%  |
| Seventh Street Garage            | \$89,343     | \$88,778     | \$67,818     | \$69,628     | \$59,607     | \$375,173    | -7.8%  |
| Third and Butler Lot             | \$40,616     | \$36,352     | \$38,698     | \$27,343     | \$21,873     | \$164,881    | -11.6% |
| West Central/McFarland Lots      | \$47,066     | \$53,954     | \$54,756     | \$20,176     | \$49,937     | \$225,889    | 1.2%   |
| Total Off-Street                 | \$1,214,868  | \$1,341,532  | \$1,206,831  | \$1,526,448  | \$2,166,768  | \$7,456,446  | 12.3%  |
| On-Street Meters and Enforcement | \$4,912,492  | \$5,586,806  | \$4,745,304  | \$4,643,659  | \$5,120,158  | \$25,008,420 | 0.8%   |
| Net Operating Income             | \$6,127,361  | \$6,928,338  | \$5,952,135  | \$6,170,107  | \$7,286,926  | \$32,464,866 | 3.5%   |

<sup>1</sup> Parking ticket revenues in 2007 and 2008 are estimated. Actual values will be made available.

Table 2: Summary of Revenues, Operating Expenses and Net Operating Income (9/11 to 8/12)

|                                 | Total               |
|---------------------------------|---------------------|
| <b>Revenue</b>                  |                     |
| Off-Street                      |                     |
| Garfield Garage                 | \$941,467           |
| Fountain Square South Garage    | \$1,673,929         |
| Gramercy Garage                 | \$566,578           |
| Broadway Garage                 | \$1,297,570         |
| Seventh Street Garage           | \$316,683           |
| Third and Butler/L&N Loop Lot   | \$135,915           |
| West Central/McFarland Lots     | \$74,337            |
| Total Off-Street                | \$5,006,479         |
| On-Street Meters                | \$3,713,668         |
| Parking Tickets <sup>1</sup>    | \$3,624,540         |
| <b>Total Revenue</b>            | <b>\$12,344,687</b> |
| <b>Operating Expenses</b>       |                     |
| Off-Street                      |                     |
| Garfield Garage                 | \$914,145           |
| Fountain Square South Garage    | \$578,231           |
| Gramercy Garage                 | \$377,542           |
| Broadway Garage                 | \$550,783           |
| Seventh Street Garage           | \$195,737           |
| Third and Butler/L&N Loop Lot   | \$53,647            |
| West Central/McFarland Lots     | \$30,267            |
| Total Off-Street                | \$2,700,352         |
| On-Street Meters                | \$1,700,241         |
| Contract with Hamilton County   | \$350,000           |
| <b>Total Operating Expenses</b> | <b>\$4,750,593</b>  |
| <b>Net Operating Income</b>     |                     |
| Off-Street                      |                     |
| Garfield Garage                 | \$27,322            |
| Fountain Square South Garage    | \$1,095,698         |
| Gramercy Garage                 | \$189,036           |
| Broadway Garage                 | \$746,786           |
| Seventh Street Garage           | \$120,946           |
| Third and Butler/L&N Loop Lot   | \$82,269            |
| West Central/McFarland Lots     | \$44,070            |
| Total Off-Street                | \$2,306,127         |
| On-Street Meters                | \$5,287,967         |
| <b>Net Operating Income</b>     | <b>\$7,594,094</b>  |

<sup>1</sup> Estimated. Actual value will be made available.

## **SCHEDULE 9**

### **Identified Events**

1. Historical Events –annually recurring special event which celebrate the culture, history, and traditions of Cincinnati including, without limitation:
  - a) Taste of Cincinnati – Memorial Day weekend;
  - b) Oktoberfest – third weekend in September;
  - c) Riverfest – Labor Day weekend;
  - d) Flying Pig Marathon – first weekend in May;
  - e) Heart Mini-Marathon – middle of March;
  - f) Findlay Market Opening Day Parade – the opening day baseball game;
  - g) St. Patrick’s Day Parade – March 17<sup>th</sup> or the weekend before or after;
  - h) Black Family Reunion – third weekend in August;
  - i) Juneteenth – June 19<sup>th</sup> or the weekend before or after.
  - j) Recurring neighborhood events
2. Special Events –planned temporary aggregations of attractions, including a parade, march, or procession, public entertainment, food and beverage service facilities, sales of souvenirs or other merchandise, or similar attractions, that is (i) conducted on the public right-of-way or (ii) conducted primarily outdoors on property open to the public other than the public right-of-way and which may require special city services, including, but not limited to, any of the following: street closures; provisions of barricades, garbage cans, stages, or special parking restriction signs; special electrical services; or special police protection.
3. Construction and Repair Work
4. Duke Energy Convention Activities
5. Parades
6. Political Events
7. Sporting Events
8. Snow Emergencies – officially declared by the City Manager
9. Fire/Police Emergencies – Major crime scenes, SWAT event, fires, etc.
10. Acts of God – flooding, windstorm, etc.
11. Residential Events – like moving in or out of a residence
12. Street Sweeping
13. Funerals
14. Miscellaneous persons bagging meters without authority
15. Non-functioning meters – Routine outages
16. Mobile Food Vendors (provided that Mobile Food Vendors operate solely in the currently existing Designated Zones which are defined in Section 723-42 of the Cincinnati Municipal Code)
17. Parklets
18. Other events which require closure of a Parking Meter for less than four (4) hours.

**SCHEDULE 10**  
**Parking System Ordinances**

**SCHEDULE 11**

**Parking System Land**

**(Parking Garages and Parking Lots)**

*[Legal Descriptions are voluminous and will be attached to executed originals]*

## **SCHEDULE 12**

### **Sycamore Garage Plans**



## SCHEDULE 13

### Form of Memorandum of Lease

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(Space above this line for Recorder's Use)

#### MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT (this "**Memorandum**") is made and entered into as of this \_\_\_\_ day of May, 2013, by and between **THE CITY OF CINCINNATI** ("**Lessor**"), as lessor, with an address of c/o City Manager, 801 Plum St., Cincinnati, Ohio 45202, and **THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY** ("**Lessee**"), as lessee, with an address of 299 East Sixth Street, Suite 2A, Cincinnati, Ohio 45202.

#### BACKGROUND

Lessor and Lessee entered into that certain Long-Term Lease and Modernization Agreement for The City of Cincinnati Parking System, dated as of May \_\_, 2013 (the "**Lease**"), pursuant to which, among other things, Lessor (i) leased to Lessee the Premises (as defined below) and (ii) granted Lessee the right to use, operate, manage, maintain and rehabilitate the Premises and certain other assets in connection therewith;

Lessor and Lessee desire to provide record evidence of Lessee's lease of the Premises pursuant to the terms of the Lease.

#### CONFIRMATION AND ACKNOWLEDGEMENT

NOW, THEREFORE, Lessor and Lessee hereby confirm the terms of the Lease and acknowledge the following:

1. Lessor and Lessee. The names and addresses of Lessor and Lessee under the Lease are as set forth in the Preamble of this Memorandum.

2. Premises. The real property leased by Lessee pursuant to the Lease consists of the Parking Garages and Parking Lots (collectively, the "**Premises**"). "**Parking Garages**" means the parking garages described in Part I of Schedule 1 attached to this Memorandum and made a part hereof as "Lease Area" along with the cross-hatched area depicted thereon and as further described in Part I of Schedule 1 and commonly known as the Garfield Garage, Fountain Square South Garage, Gramercy Garage, Broadway Garage, Seventh Street Garage and, upon its completion, Sycamore Garage; "**Parking Lots**" means the parking lots described in Part II of Schedule 1 attached to this Memorandum and made a part hereof as "Lease Area" along with the cross-hatched area depicted thereon and as further described in Part II of Schedule 1 and commonly known as the Third & Butler Lot (and adjoining L&N Loop Lot), West Central Lot, and the McFarland Lot.

3. Term. The term of the Lease commences on the date of this Memorandum and expires on the fiftieth (50th) anniversary thereof (or such later date as may be required to effect a "Delay Event Remedy" under the Lease but subject to earlier termination as provided in the Lease).

4. No Options. Lessee has no option or right to extend the term of the Lease.

5. Prior References. Lessor claims title (or beneficial title) to the Premises pursuant to the following deeds of record filed in Hamilton County Records:

[Insert Deed, Page information and/or Instrument Nos.]

6. Inconsistent Provisions. The provisions of this Memorandum constitute only a general description of the content of the Lease with respect to matters set forth herein. Accordingly, third parties are advised that the provisions of the Lease itself shall be controlling with respect to all matters set forth herein. In the event of any discrepancy between the provisions of the Lease and this Memorandum, the provisions of the Lease shall take precedence and prevail over the provisions of this Memorandum. Any capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Lease.

7. Termination of Memorandum of Lease. This Memorandum and all rights of Lessee in the Premises shall terminate upon the expiration or earlier termination of the Lease, which may be evidenced by a written notice of such expiration or termination signed by Lessor and Lessee recorded or filed in the appropriate land records of Hamilton County, Ohio.

8. Counterparts. This Memorandum may be executed in any number of counterparts which, taken together, shall constitute one and the same agreement.

9. Successors and Assigns. The Lease and the covenants and conditions herein contained shall inure to the benefit of the Lessor and Lessee and their respective permitted successors and assigns and is binding upon the Lessor and Lessee and their respective successors and assigns.

10. Incorporation. The Lease and all of the terms and conditions thereof and schedules thereto are incorporated herein and made a part hereof by reference as though fully rewritten herein.

*Remainder of Page Intentionally Left Blank*

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed as of the day and year first above written.

**LESSOR:**

**THE CITY OF CINCINNATI**

By: \_\_\_\_\_

Name: Milton Dohoney, Jr.

Title: City Manager

STATE OF OHIO                    )  
  ) ss:  
COUNTY OF HAMILTON         )

**BEFORE ME**, a Notary Public, in and for said county and state, personally appeared Milton Dohoney, Jr., the City Manager to the City of Cincinnati, who acknowledged before me that he did sign the foregoing instrument on behalf of the City of Cincinnati.

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and seal this \_\_\_\_\_ day of May, 2013.

\_\_\_\_\_  
NOTARY PUBLIC

**THE PORT OF GREATER CINCINNATI  
DEVELOPMENT AUTHORITY**

By: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

STATE OF OHIO )  
 ) ss:  
COUNTY OF HAMILTON )

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and seal this \_\_\_\_ day of May, 2013

NOTARY PUBLIC

Attention: John Corp  
City of Cincinnati  
Law Department  
801 Plum St.  
Cincinnati, Ohio 45202

**SCHEDULE 1**

**Part I**

[See attached pdf]

**Part II**

[See attached pdf]

## **SCHEDULE 14**

### **City Advertising Policy**

Each Parking Garage shall be a nonpublic forum. The Port Authority may provide for commercial advertisements inside the Parking Garages and through the use of parking-related services such as mobile phone applications and receipts dispensed from Metering Devices. All advertisements are subject to approval by the Port Authority and must conform to the requirements of this Advertising Policy ("Policy"). The Port Authority will determine whether a proposed advertisement meets the requirements of this Policy.

#### Placement

The Port Authority may place commercial advertising inside the Parking Garages, through the use of mobile applications, and on receipts dispensed from parking meters or other payment devices. The size and placement of such advertisements are subject to the United States Constitution, the Ohio Constitution, and all applicable Laws, ordinances, orders, rules, and regulations. In no event shall the Port Authority place advertising of any kind in the Public Way, including on Metering Devices, or on the exterior of any Parking Garage. For purposes of this Schedule, "advertising" does not include notices affixed to Metering Devices which solely communicate the Metered Parking Fee, Period of Stay and Period of Operation of that particular Metering Device to customers of the Parking System or the Operator's contact information.

#### Content

The Port Authority may provide for commercial advertisements. The following content shall be prohibited:

1. Political, political campaign, or ballot or election-related advertising, or public service announcements.
2. Advertising that is false, misleading, or deceptive.
3. Advertising that is clearly defamatory or constitutes tortious false light invasion of privacy under Ohio law.
4. Advertising that is obscene or pornographic.
5. Advertising that advocates imminent lawlessness or unlawful violent action.

**SCHEDULE 15**

**[RESERVED]**

## Schedule 16

### Advisory Committee Rules of Governance

- I. **Creation of Advisory Committee.** An advisory committee (the “Advisory Committee”) is hereby established to advise the Port Authority and Asset Manager in accordance with the terms of that certain Long-Term Lease and Modernization Agreement for the Modernization of the Parking System of the City of Cincinnati (the “Agreement”) for the purpose of exercising all powers and functions as described in these Rules of Governance with respect to certain matters affecting the Parking System. All undefined capitalized terms herein, shall have the meaning ascribed thereto in the Agreement.
- II. **Committee Members.** The Advisory Committee shall be composed of representatives of the City and Port Authority (each a “Member” collectively, the “Members”). The Advisory Committee shall consist of five (5) Members who shall include (i) the City Manager or his or her designated appointee (the “City Member”), and (ii) four (4) members who are appointed by the Port Authority President (collectively, the “Port Members”), with at least one member being a senior representative of the Asset Manager (the “Asset Manager Member”). Each Member shall hold his or her seat on the Advisory Committee until a successor is duly appointed and qualified or until the Member’s earlier death, resignation, disqualification or removal by the City Manager or Port Authority, as applicable.
- III. **Resignation or Removal of Members.** Any Member may resign at any time by notice given in writing or by electronic transmission to the Port Authority and City Manager. Such resignation shall take effect at the date of receipt of such notice by the Port Authority and City Manager or at such later time as is therein specified. The City Manager may remove the City Member at any time. The Port Authority may, at any time, remove the Asset Manager Member or any of the other Port Members.
- IV. **Powers & Responsibilities.** By an affirmative vote of the Members as set forth under Section VI of these Rules of Governance, the written resolutions of the Advisory Committee shall govern all matters for which the Advisory Committee is responsible as set forth in the Agreement, and the Advisory Committee at all times will act in the best interest of the Parking System.
- V. **Meetings.** The Advisory Committee shall meet upon the request of the Port Authority, Asset Manager, or City Manager but not less than once per Franchise Year. Meetings of the Advisory Committee may be held after notice and at such times and at such places as are permitted by applicable Law.
- VI. **Voting.**
  - a. ***Action by Majority Vote.*** Except as expressly required by Section VI(b), the vote of a majority of the Members shall be deemed to be an act of the Advisory Committee.
  - b. ***Unanimous Approval Required.*** Subject to Section 7.8 of the Agreement, unanimous approval of the Advisory Committee shall be required prior to any (1) increase in the Metered Parking Fee or Off-Street Parking Fee that exceeds the Applicable Metered Parking Fee Cap or the Applicable Off-Street Parking Fee Cap; or decrease in the Metered Parking Fee or Off-Street Parking Fee (2) lengthen or decrease of the Period of Operation; (3) any material change to the Enforcement Policies and Procedures; (4) any refinancing or refunding of all or a portion of the Parking Bonds if such action increases the debt service on the Parking Bonds during the Term of the Lease or extends the final maturity of the Parking Bonds; (5) installation of Metering Devices on any of the Unmetered Parking Spaces within the On-Street Parking System; (6) the implementation of any Dynamic Pricing Schedule for the On-Street Parking System. To the extent Periods of Stay for the Metered Parking Spaces are adjusted during the year, the Advisory Committee shall review such adjustments at its annual meeting and may, upon the unanimous approval of the Advisory Committee, revise the Periods of Stay.
- VII. **Reasonable Vote.** In discharging his or her duties arising in connection with the Agreement or any vote required thereunder, the Members shall act in the best interest of the Parking System, Bondholders, and users of the Parking System. In determining what is in the best interest of the Parking System, Bondholders, and users of the Parking System, the Members shall not be required to regard the Party who appointed it as a dominant or controlling interest or factor, but shall give due and reasonable consideration to all factors affecting or related to the Parking System, including, but not limited to: (i) long-term prospects and interests of the Parking System and its users; (ii) the social, economic, legal, or other effects of any action on the Parking System; (iii) the recommendations, counsel and advice of any Consultant or Engineering Firm appointed in connection with the Agreement; and (iv) the Parking Revenue.



**VIII. Duration.** The duration of the Advisory Committee shall be through and until the termination or expiration of the Agreement.

## Schedule 17

### FORM OF PROMISSORY NOTE

\$ \_\_\_\_\_

[Dated as of the Closing Date]

For value received, THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY, a port authority organized and existing under Ohio Revised Code Section 4582.21 et seq. (the "Port Authority"), promises to pay to the CITY OF CINCINNATI, a municipal corporation in and of the State of Ohio (the "City"), at 801 Plum Street, Cincinnati, Ohio 45202, or at such other address as may be designated in writing by the City Manager of the City, the principal sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), with interest on the amount of the principal from time to time outstanding from the date hereof at the rate of \_\_\_\_ percent (\_\_\_\_%) per annum. Principal and interest on this Note shall be paid annually in arrears commencing on the date specified in the Schedule attached hereto continuing on the fifteenth day of each June thereafter and ending on the date specified in Schedule [ ] hereto when any remaining unpaid principal balance and accrued interest shall be due and payable in a single balloon payment, subject to prepayment as provided herein.

The obligation to make debt service payments under this Note do not represent or constitute bonded indebtedness, a debt of, or a general obligation of, the Port Authority or any other political subdivision of the State of Ohio, and neither the full faith and credit nor the taxing power of the Port Authority or any political subdivision of the State of Ohio is pledged to secure the payment of debt service hereunder. The debt service payments are payable solely from Available Revenues received by the Port Authority pursuant to that certain Lease and Modernization Agreement for the City of Cincinnati Parking System dated as of May \_\_, 2013 (the "Agreement").

The annual rate of interest stated herein shall apply to a 360-day period and amounts of interest due hereunder shall be computed upon the basis of 30-day months. Installments of principal and interest shall be applied first to interest as provided herein and the balance to principal due hereunder.

The Port Authority may prepay all or any portion of the principal sum hereof at any time without penalty. All such prepayments shall be applied to the payment of the principal installments due hereon in the inverse order of their maturity, and shall be accompanied by the payment of accrued interest on the amount of the prepayment to the date thereof.

The payment of this Note and all interest hereon is secured by a pledge of and lien on the Pledged Assets under that certain Trust Indenture dated as of [month of Closing Date] 1, 2013 by and between the Port Authority and \_\_\_\_\_, as Trustee thereunder, subordinate to payments due to the Trustee for the benefit of the holders, from time to time, of the Parking Bonds as described in the Trust Indenture and the deposits required pursuant to said Trust Indenture.

If default be made in the payment of any installment of principal or interest under this Note when any such payment shall have become due and payable, then, any such defaulted principal and interest shall be paid by the Port Authority as additional payments hereunder without further accrual of interest on amounts so due and owing, provided that upon the

occurrences set forth in Section 16.1 and 17.1 of the Agreement, at the option of the City, the entire principal sum payable hereunder and all interest accrued thereon shall become due and payable at once, without demand or notice, but only if, and to the extent that any other obligations secured by the Trust Indenture are also accelerated pursuant to the terms thereof.

If any provision hereof is in conflict with any statute or rule of law of the State of Ohio or is otherwise unenforceable for any reason whatsoever, then such provision shall be deemed separable from and shall not invalidate any other provision of this Note.

If this Note is placed in an attorney's hands for collection, or collected by suit or through the bankruptcy or probate, or any other court, either before or after maturity, there shall be paid to the holder of this Note reasonable attorney fees, costs and other expenses incurred by the holder in enforcing the terms of this Note.

This Note is executed in Hamilton County, Ohio and shall be construed in accordance with the laws of the State of Ohio.

THE PORT AUTHORITY OF GREATER CINCINNATI  
DEVELOPMENT AUTHORITY

By: \_\_\_\_\_  
Name: Laura N. Brunner, President

## Schedule 18

### Technological Improvements

#### Off-Street Parking System

The following capital improvements must be made for the Initial Rate Adjustment Date to occur for each listed Parking Facility. The Initial Rate Adjustment Date for any Parking Facility not listed occurs on the Closing Date.

| Parking Facility   | Item                  | Amount     | Year |
|--------------------|-----------------------|------------|------|
| Broadway           | Monitoring Equipment  | \$ 25,000  | 2013 |
| Broadway           | New Parking Equipment | \$ 214,445 | 2014 |
| Fountain Sq South  | Monitoring Equipment  | \$ 25,000  | 2013 |
| Fountain Sq South  | New Parking Equipment | \$ 232,238 | 2014 |
| Garfield           | Monitoring Equipment  | \$ 25,000  | 2013 |
| Garfield           | New Parking Equipment | \$ 225,327 | 2015 |
| Gramercy           | Monitoring Equipment  | \$ 25,000  | 2013 |
| Gramercy           | New Parking Equipment | \$ 182,155 | 2015 |
| Third & Butler Lot | New Parking Equipment | \$ 45,000  | 2014 |
| TOTAL              |                       | \$ 999,165 |      |

#### On-Street Parking System

Except as provided below, “smart” parking meters must be installed at each Metered Parking Space in each Zone for the Initial Rate Adjustment Date to occur for that Zone. A “smart” parking meter is a parking meter that has its own power source (such as battery-power or solar power), wireless connectivity, and offers coin and credit card acceptance. “Smart” parking meters include City installed IPS meters, so new “smart” parking meters do not need to be installed at Metered Parking Spaces where the City installed IPS meters approximately two years ago in order for the Initial Rate Adjustment Date to occur for the Zone in which those meters are located. In addition to “smart” technology, the Port Authority shall implement technology to allow all Metered Parking to accept payment by phone as soon as reasonably practical.